Previous references.
Jgul 409 Cir-2 SR 148-00

File No. 173-06

Serial Nos. 1, 1(a), 2

1906
(S. R)

Later references.
Jul 13 Sig 19 55 SR 173-06.
AC 11-22-1

207

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1, 1(a), 2-18

Part B. for ~~April 1907~~ April 1913

SUBJECT.

Mr. E. W. Wetherell's report on the fall of Stamp Revenue in the State and future arrangement and designs for the manufacture of stamps.

From E. W. Wetherell Esq. offg. Geological Secretary to Govt of Mysore
dg. 9. 4. 1906.

Forwards officially his report on the above subject adding as appendices two of the publications of the Philatelic Society of India, dealing with the Revenue Stamps of British India & the work of Messrs Thos de La Rue & Co.

1(a) From Rev. Commr. D.O. letter dg 25.5.07. Forwards his note on the Conclusions arrived at by Wetherell.

2. From the F. A. to the Resident in Mysore
G. R. S. 58 No 6950 dg 22-12-1908
Informs the Durbar that prosecution has been instituted in London by the Board of Inland Revenue against

one Harold Treherne for being in possession of instruments to counterfeit stamps & that the Govt of India has been asked for specimens of Counterfeited Stamps

To The J.A. Resident. No pol 547 dy 16.1.09
Acknowledges receipt of his letter of 22.12.1908 (Sl 2) informs the Residency that the Durbar have, for some time past, been considering the question of putting the manufacture of stamps on a proper basis and requires whether it is possible to have the Imperial Govt stamps printed in England.

To E.W. Wetherell, Esq. Second State Geologist
No Fl 3412 dy 9.2.09
Conveys the thanks of H. H's Govt for the great trouble he took in investigating the methods of Stamp manufacture in Mysore & for his highly valuable & comprehensive report about defects of the existing Supplies etc.

To The Comm[r] of Stamps. No Fl 3491 dy 11.2.09
Requests to be furnished with statistics showing the annual demand for stamps of all denominations from the several districts for the past 10 years.

From The Stamp Comm[r] No 453 dy 16.2.09
States that the statistics required above are contained in the annual reports of the Stamp Deptt & that if necessary he shall obtain extracts from Dist Offices & then submit.

To The Comm[r] of Stamps No Fl 3954 dy 27.2.09
points out that the details required cannot be had in the annual reports & requests that they may be obtained from the Supdts of Stamps & Dy Comm[rs] & furnished early.

G.R.S. 11] 1906 – 07

GENERAL AND REVENUE SECRETARIAT.

(Final)

NOTES.

S-R. File No. 173

FILE HEADING.

Mr. E. W. Wetherall's Report on the fall Stamps Revenue in the State and future rangement and designs for the manufacture of Stamp

Wetherell Esqr. C.E.S. Geological Secy. to the Govt. of Mysore

No. Dated 9/6/1906 Received

Enclos. one Spare Copies Serial No. 1

BRIEF ABSTRACT OF LETTER

Forwards officially his report on the above subject, adding as appendices two publications of the Philatelic Society of India dealing with the Revenue Stamps of British India & the work of Messrs Thomas de la Rue & C as Manufacturers of Stamps.

NOTES AND ORDERS.

NOTES—First Sheet.

GPB—35,000—15-6-12

Confidential No. 93.

D505

Mysore Geological Department,

Bangalore, 20th May. 1906

Wetherell's letter to Mr. Madhava Rao
dated 20th May 1906.

Dear Mr. Madhava Rao

With reference to Government Proceedings No. Fl. 7166-211, Gen. Fin. 280-05-36, dated 30th April 1906, regarding the increase in the normal expenditure of the State, incommensurate with the expansion of the revenue, and the indispensable necessity for a thorough examination into the possibilities of improvement of revenue, I have the honour to call your kind attention to the following very important fact:-

2 The revenue derivable from the various Stamp duties of the State—Court-Fee, Share transfer general, Receipt and Bills—has fallen off; yet litigation and business have not fallen off. In a private letter which I addressed

(22)

addressed to Sir K.V. Krishna Murti on the subject, I point ed out the extreme danger which exists in consequence of the fact, among 18 others, that the whereabouts of certain plates used for printing Mysore stamps was unknown, that Mysore Court Fee paper was procurable in the bazaar, that there had been several [redacted] destructions(?) of stamps, that there was an unused die for the receipt stamps--(only 64 being used out of 65 made)--&c. &c. //

I pointed out 18 reasons for accounting for the fall off of the revenue in stamps I may state that I am Vice- President of the Philatelic Society of India and have made a very special study of stamps for many years and had the unique experience of showing my collection and talking over philatelic matters for an hour and a half with H.R.H. the Prince of Wales when in Bangalore (H.R.H. is the President of the London Philatelic society) and I have been on the expert committee of the Philatelic Society of India for many years for the detection of forged stamps. I enclose an extract from one of our notices.

The danger to the State of manufacturing ~~of~~ stamps of the kind used, and making them in the way they do is, I can assure you, very great. In my letter to Sir Krishna Murti, I offered as an expert to go thoroughly into the question and report to Government (without of-course any

any remuneration whatever). My letter must have been delivered just before the change of Dewan and has apparently not been passed over to you.

5 The Comptroller and Mr. Justice Staley agree with me that means should be devised for a better method of production.

6 The only stipulation I made in offering my services was that the services of a Revenue clerk should be placed at my disposal for the days that my enquiry lasted.

7 I think you will see that here is one very important reason why there is not a commensurate increase in revenue in the State, and if Government are pleased to ask me to enquire into the matter in detail I shall be most happy to do so and I feel perfectly certain that my report will be of considerable use to Government.

I am
Yours sincerely.
E Westbrook

(23)

V.P. Madhava Rao, Esq., C.I.E.,
Dewan of Mysore.

S.

1(a)/1

Philatelic Journal of India

MR. STEWART-WILSON supplied us some time ago with some interesting details of the forgeries of the first permanent Court Fee issue. The story of the Lucknow 100 Rs. is this. On 14th April 1879 a man came to the Treasurer of the Calcutta Stamp Office and offered to sell for Rs. 93 a Rs. 100 Court Fee stamp which had been pledged to him on a loan of Rs. 60 which had not been repaid. The stamp looked the wrong colour (too dark) and was kept for examination. It finally turned out to be a good forgery. The police eventually succeeded in tracking down the forger, one Hussain Bakhsh of Lucknow, who had traced the stamp very carefully, transferred it to stone, "engraved" the stone and had taken impressions one by one on the best paper he could buy. He did the watermark by abrasion. The papers on the case say that the Queen's head was not good, but it was punched out in most copies. The forgery was in use for over 3 years before it was detected, and it was ascertained that between 500 and 600 had got used, over a wide area from the Punjab to Calcutta but chiefly in Lucknow and adjacent districts. The forger got 17 years and his accomplices were also convicted. The same gentleman seems to have forged another Rs. 100 stamp of which 10 were found, a Rs. 20 stamp of which 2 were found and two Rs. 10 stamps, one good and the other bad, of which 5 and 16 were found respectively, all used on Court papers. Some forged Rs. 2 and Rs. 7 Court Fee stamps were also found in Roorki in June 1879, and there was a photographic forgery of the Rs. 4 stamp in Kaira in 1879 or 1880. The latter we presume to be one of the Nadiad productions which had filtered into the next district.

Rs 60000!!

Bangalore,

21st May 1906.

V.P. Madhava Rao's reply to Mr. Wetherell's letter

Dear Mr. Wetherell,

I thank you sincerely for your letter of the 20th instant in regard to the fall that has taken place in the stamp revenue of the state, and your kind offer to investigate the causes of the fall. As Vice/President of the Philatelic Society you have exceptional facilities for conducting an enquiry of this nature, and Government will be thankful to you if you can discover the true causes of the decrease, and suggest remedies for preventing the illicit manufacture of stamps that has apprently been going on, on a large scale. I have instructed the Secretary to place one of the clerks that has been treated as supernumerary at your disposal.

Yours sincerely,

Sd/- V.P. Madhava Rao.

(24)

(22)

Pr 173-06 (2

Submitted to His Highness.

I submit for information D.O dated the 20th May 1906 from Mr.E.W.Wetherell, the Offg. State Geologist, in regard to the fall in the stamp revenue of the State, and offering his services for discovering the causes thereof. As Vice President of the Indian Philatelic Society, Mr.Wetherell has exceptional facilities for conducting the necessary enquiry into the matter and for discovering cases of illicit manufacturing of stamps which, he suspects, has been going on on a large scale. I have accordingly asked him to proceed with the investigation and instructed the Secretary to place at his disposal the services of a clerk so long as the enquiry lasts. After the return of these papers, I shall place the matter before the Councillors for consideration in connection with their retrenchment enquiry.

22/5/1906.

V.P. Madhava Rao

(222)

SRR 173-06

(3)

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

23.5.06
987

Investigation by Mr. E.W. Wetherell, Officiating State Geologist, into the causes of the fall in stamp revenue.

993

Order.

~~KRW~~

26/5/06

29.5.06
934

29/5/1906

This may be placed before the Councillors in connection with the retrenchment enquiry. Vide Col Sealeine's Diary

Secretary H.H.

29.5.06

Secretary H.

30/5/06

Serial No.

Ruled.

The Supt of Stamps hesitates to give the information & the papers required by Mr Wetherell in connection with his investigation in the absence of any Communication to him from Govt. & the former has requests that the Govt. [illegible] the latter Officer in charge of this Special work may be Communicated to him.

His paper is being separately dealt with and a reply is sent to the Supt of Stamps.

It is likely that Mr Wetherell may meet with similar difficulty when he requires any information or papers from the Comptroller & the Superintendent of the Stamp Manufactory from whom also information may have to be gathered. It seems therefore necessary to issue a formal order defining Mr Wetherell for this Special

Note—Contn. sheet

GPB—50,000—23-10-05

G.R.S. 12]
General and Revenue Secretariat.

(5)

File No. 173 of 1906

Serial No.

Subj. & a draft is accordingly submitted for approval or other orders. It seems these papers may be treated as Confidential —

The file may be submitted to the Councillors after the issue of the orders

Submitted 30/5/06

I am not sure if a formal order in this matter is intended to be issued. There is no direction to that effect. The officers from whom Mr. Wellerall desires to obtain information for this Enquiry, may be requested demi-officially to comply with his request. If so these papers have to be subm. to the Councillors, as directed by the Secretary

Subm. to Secy

31/5/06

The Asstt Secy is right. no formal order is necessary. The only officers from whom Mr Wellerall is likely to need information are the Financial Secy & the Inspector General of Stamps. Some official instructions have, I believe, already been given to the latter

NOTE—Contn. sheet

GPB—50,000—23-10-05

G.R.S. 12]

General and Revenue Secretariat.

File No. 173 of 1906

Serial No.	
C142 10-6-06 Mysore	The papers may now be submitted to the Councillor for consideration in connection with the Amendment enquiry. Seen. Rec'd 4/9/06 5/9/06

MGCPB—20,000—1-11-04.

(7)

Sgh 173/06

G. R. S. 11] 1905-06

GENERAL AND REVENUE SECRETARIAT.

(Stamps.)

NOTES.

FILE HEADING.

Fall in the Stamp Revenue of the State.

From

E.Wetherell, Esq.

No. Dated 5th July 1906 Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

8no1. Submits a note on the subject mentioned above and offers suggestions for improving the revenue.

N.B. Folios Put Stamps.

NOTES AND ORDERS.

Dewan's Order on the note.-

"To 1st Councillor for kind perusal. The note may be sent on to the 2nd Councillor after the 1st Councillor has done with it"

(Intd.) V.P.M.
22/6/1906.

(2)

NOTES—First sheet. Papers to 2nd Councillor - The further Report promised has not yet come

MGCPB—30,000—16-2-05.

G.R.S. 12]
General and Revenue Secretariat.

File No. 173 of 1906

(8)

Serial No.

I have read Mr Wetherell's memo with much interest. It is high time that we took steps to put the supply of stamps on a proper basis. There can be no doubt that the revenue from this source has considerably suffered from the specious opportunities for forgery existing in the present crude system of manufacturing stamps. Mr Wetherell might be asked to pursue the enquiry and suggest the best means of securing our stamp revenue against fraud. The designs will have to be settled.

KP 5/9/06

2/23a 5/9/06

Secy KSC 5.9.06.

P. S. O.

(5)

NOTE—Contn. sheet

GPB—50,000—23 10-05

G.R.S. 12]

General and Revenue Secretariat.

File No. 173 of 1906

(9)

Serial No.

In this file Mr Whitehead has considered the subject of the falling off in Stamp Revenue in Mysore from his own standpoint. I think he has conclusively proved that there is serious risk of forgery under present conditions. But whether any forgery has actually taken place is more than we can say. I have, during the last 18 months, missed no opportunity of inviting attention of Government to the disappointing character of the course of the Stamp Revenue in Mysore and for my part I have thought the falling off was probably due either to lax supervision or to non-enforcement of the Stamp laws. I have also brought to the notice of Government the unsatisfactory nature of the present arrangement under which the Stamp Manufacture is carried on ~~at present~~ in this Circle.

2 As far as Statistics of Stamp Revenue go, Madras with a population of 382 lakhs has a Stamp Revenue of about 88½ lakhs. Assam with a population of 58½ lakhs earns about 10 lakhs of Stamp Revenue

(4)

NOTE.—Contd. sheet 4

MGCPB—50,000—17-2 05

Serial No.

Berar yields about 9 lakhs with a population of 27½ lakhs. Mysore has a larger population than Berar but still it realises only about 7½ lakhs. But this comparison should not be carried too far. The magnitude of the Hemp Revenue depends on a large number of factors. For instance, in Berar there are the important cotton marts in British India while Mysore generally has no monopoly of any important trade. In any case, the matter is one that requires careful investigation and the Whitehall's examination of the subject throws a lucid light on the present defects in the system of manufacture.

3. In this note, I must confine myself exclusively to the suggestions contained in pp. 26 to 29 of the Whitehall's note.

4. I entirely agree that some steps should be taken to improve the present design. As to the exact details of the steps to be taken as contained in his first suggestion, I feel I am not competent to advise; but, as far as I

(5)

NOTE—Contn. sheet.

have been able to understand the matter, the proposals seem to be suitable.

5. The alternative suggestion made by Mr Whitehead, that Mysore should have its stamps manufactured in England, is a very acceptable one from the purely financial point of view; for, it will, no doubt, be the cheapest arrangement and at the same time we should have stamps of the most artistic design. I am afraid, however, that in a matter of this kind the question of cost is not the only matter to be considered. As far as I am aware, the manufacture of stamps by Messrs De La Rue & Co. in England for India, is directly under the supervision of the Home department of the India office and there no doubt that, in the case of the Colonies and dependencies, the Colonial office must be exercising a similar supervision. In the case of a Native State in India, there is no agency in England for such supervision and my difficulty is whether we should not

(12)

NOTE.—Contd. sheet.

Serial No.

run serious risk in leaving the manufacture entirely in the hands of ~~private~~ firms in England. Whether all ~~have~~ has had a hit at the Comptroller for the latter's refusal to allow Mysore designs to be illustrated in a public journal; but my object was to keep the nature of the Mysore designs entirely within the country and not to expose our weak points & publishing the rather rough specimens, we use to the World.

6. My difficulty is whether in trying to avail of the best possible designs in Europe, We do not Court the possibility of forgery of our Stamps by European forgers. At present, there is some chance of the Stamps being forged locally; but, on any suspicion being aroused, the matter might be easily detected by Careful inspection and it is wholly under the control of the Mysore Government. I may refer in this connection, to the most analogous case of the Counterfeiting of rupees. Some time ago there was a suspicion of Indian rupees having been manufactu-

(7)

NOTE—Contn. sheet.

Serial No.

in the Continent of Europe and also in China. The Government of India considered that there was no possibility of stopping the manufacture but the only measure that could be taken was to register the extent of imports of rupees from any particular country at the port of arrival in India and to locate, if possible, the place of manufacture by comparison of these imports with trade statistics. This course would, no doubt, be admitted to be very uncertain even in its results; but, on the other hand the Govt of India are quite able effectively to prevent any large counterfeiting in India itself, because the setting up of machinery for such purposes can be easily discovered by the Special Police.

7. There is therefore something to be said for the improvement in our local methods of manufacture by local appliances instead of giving an opportunity to the clever operators of the West. I do not ignore the fact that it would be quite possible to

(8)

NOTE.—Contd. sheet.]

Serial No.

information.

2. I must add that the proposal about over printing of stamps does not commend itself to me. This is more a matter of sentiment. The prerogative of a Ruler is to have his own coin & own stamps, etc. In Mysore, the current coins cannot have the ~~Maharaja's~~ State special device and I would not give up the stamps with special design, if it is possible to retain them.

Sd/ Basu
26.7.06

The Diwan desires that the Comptroller will kindly furnish information on the points noted below:—

1) Court-fee stamps:— The Treasury accounts of sales for some years may be compared with the Courts' return of stamp realizations to see whether any appreciable ~~differences~~ variations ~~fall in certain~~ are noticeable from year to year & whether such variations might be due to a large use of forged stamps.

2) A similar comparison might be made regarding General Stamps by comparing Treasury figures of sales

(10)

NOTE.—Contn. sheet.

MGCPB—50,000—17-2-05

Serial No.

with the registration returns.

3). There seems to have been some correspondence some years back, about entrusting the manufacture of Lamps to Messrs Dela rue & Co. The papers may be sent up for perusal.

By order,
C. Balasundaramiyer
29/8/06 & Under Secretary

Forwarded to Controller confidential
28/8/06

Serial No.

Confidential

Secretary,

Recently I was asked by the Dewan to note on the file containing Mr Whetherall's proposals for the future arrangements for manufacture of Mysore Government Stamps. In noting on the case, I said that I was opposed to any direct arrangement between the Mysore Govt and Manufacturing firms in England and that the best arrangement would be to have the Stamps manufactured in England through the India Office. I said also, that I was making enquiries about the practicability of the business being arranged for through the India office.

I have now ascertained privately that it is quite practicable to arrange the matter through the Government of India. I am informed that in the case of the Kashmir Durbar, such an arrangement was made some years ago. The only condition that is imposed by the Govt of India and the India

NOTE—Contn. sheet

GPB—50,000—23-10-05

Serial No.

office is that the design of the stamps must be different from the designs of the Govt of India stamps so as to be readily distinguishable. about this there can be no difficulty because, it is our interest that the design should be very different from that of the Govt of India in order that the latter might not be used by the Mysore people.

I am confirmed in the opinion that direct negotiations with English firms are not likely to be safe, for in case of any hitch or dispute the intervention of the Government of India will have to be invoked and it is therefore, on the whole, safe to negotiate through the Govt of India at from the very commencement.

Messrs De La Rue are the manufacturers of Govt of India stamps. Messrs Waterlow & Sons are, I believe, employed by the India office for the manufacture of Govt Pro. Notes. It is, I think, best to have the Mysore stamps manufactured by De La Rue and when the designs are settled, We

NOTE—Contn. sheet

GPB—50,000—23 10-05

Serial No.

may, I think, move the Residency to arrange the matter in communication between the Govt of India and the India office.

The charges for the stamps will vary with the quantity ordered at one time, with printing with single or double fugitive ink, with the duty printed in the same or in different colour of single fugitive ink with the number of stamps contained in each sheet and other differences. For instance, the cost of double fugitive stamps ordered 240,000 at a time would be 1s—0 3/4 d per 1000 while the cost would be 5½ d per ~~thousand~~ 1000 if 96 millions are ordered at one time. You need not however, trouble about these details at present, for the main question to decide is how to ~~secure~~ obtain our supplies in future.

18. 8. 06.

Circulated to Controller in charge of printing papers

Shall we see the Comptroller

(14)

C 252

NOTE—Contn. sheet

G.R.S. 12]
General and Revenue Secretariat.

(20

File No. 173 of 1906

Serial No.

Memo note – But for immediate purposes it is worthy of consideration whether the British India stamps may not themselves be adapted with something stamped across to denote that the stamps are for Native State Revenue

J.A.R. 4/9/06

Mr Bean says in his memo above that an essential condition imposed by the Govt of India and the India Office is that the design of the stamps for Native States must be different from those of Govt of India stamps so as to be readily distinguishable

If we are to get our stamps made in England, the best course is, as advised by the Comptroller, to arrange for them thro' the India Office –

H.P.P.

5/9/06

Shall we?

Then maybe kept by till the other file is received.

6/9/06

(11)

NOTE—Contn. sheet

GPB—50,000—23 10-05

(p. 20 a

G. R. S. 12]
General and Revenue Secretariat.

G. R. File No. 173 of 1906-07

Serial No.	
1a.	From A. Rangaswamiengar Esq Rev: Commissioner D. G. letter dt 25th May 1907 Forwards his note on the conclusions arrived at by Dr. Wetherell

NOTE—Contn. sheet.

GPB—55,000—27-4-09

Serial No.	
	Mr. Wetherell first gives a history of the arrangements made from 1872, to obtain supplies of stamps of different descriptions required for use and points out the defects in such arrangements. On page 18 of his report he summarises the possible sources of danger and opportunities for fraud on the stamp revenue and they are the following:-
	(1) The plates used for printing the first issue of Court-fee and Transfer stamps are missing.
	(2) All adhesive stamps are now printed in one colour; and this arrangement gives an opportunity for substitution of the value label of a high value used stamp on an unused stamp of lower value.
	(3) There was, for a period of 4 years, no tell-tale on the printing machine.
	(4) There are many varieties of each Mysore stamp, since the plates are composed of single dies fixed together or separately engraved on the plate which makes detection of a forgery a very long and difficult operation.
	(5) The present dies are of brass, which is a soft metal and wears out easily and requires recutting or retouching, giving rise thereby to many other varieties. All dies should be of hardened steel.
	(6) The designs are rough and poorly executed and could therefore be easily imitated.
	(7) The higher values are printed from still more inferior dies which have been recut and retouched on several occasions and it would be practically impossible to identify forgeries by comparison.
	(8) Wholesale destructions of stamps have taken place from time to time and some intended for destruction may have leaked out.

(16)

NOTE—Contn. sheet.

GPB—50,000—13-5 06

Serial No.	
	(9) No obsolete Mysore stamp has been demonetised and hence Government cannot legally refuse a refund on unused stamps and with missing plates in existence, Government might be asked to refund on reprinted stamps.
	(10) As the plates are composed of a number of separately engraved dies, similar dies may be manufactured by the engraver who makes the dies for Government or by other engravers, and forged stamps produced from such dies. Dies are ordered from time to time and no arrngements are made for getting them made under proper supervision.
	(11) Want of proper scrutiny of ~~the~~ stamp registers.
	Mr. Wetherell states that he " found an entry in a register in which two sheets of each value have been mentioned but the value has been expressed as if they were two labels; hence Government has been defrauded of 58 labels of each value ranging from one anna to six rupees(a total of over Rs. 1000/-)".
	(12) The public do not cancel receipt stamps when using them and dishonest persons could use the stamps over again.
	(13) The use of British Indian receipt stamps in place of Mysore stamps.
	No. 1. A searching enquiry should be made to trace out the missing plates.
	No. 3. Whether in the absence of a tell-tale, any fraud was perpetrated in the manufacture of stamps cannot be found out, unless some specific case of a forged stamp is actually discovered. There is now a tell-tale and No. 3 was therefore once a loophole for fraud, if any was committed at all.

NOTE—Contn. sheet.

GPB—50,000—13-5 08

Serial No.

No. 8. This also relates to the past and whether any stamps which should have been destroyed were actually abstracted and used, cannot be found out.

No. 9. The stamp Commissioner may be asked to report in detail what are all the obsolete stamps and it may be declared that such stamps are not valid and should not be used. All of them must have been superseded long ago and it is unlikely that any of them are now in use. Nor can there be any claims for ~~any~~ refund under the stamp law considering the time that has elapsed since their supersession.

No. 11. A full report on this point may be called for from the Stamp Commissioner and he may be asked to explain how the mistake was made and how it resulted in the loss mentioned by Mr. Wether

No. 12. Under the rules receipt stamps have to be cancelled when they are used and this is one of the points to be looked into at the time of inspection of records for which arrangements are made in Government Order No. H 9083 – 125 Dated 8th June '07.

No. 13. The British one-anna stamps cannot be used in Mysore and the receipts which bear such stamps are invalid. The public are expected to be aware of this and it does not seem possible to provide any arrangement for detecting the use of the British one-anna stamp. It would be used only in ignorance of the provision of the law and the loss arising from a few cases of such use would not be much.

Nos (2), (4), (5), (6), (7), and (10) are grave defects as explained by Mr. Wetherell and early action has to be taken to remedy them. Mr. Wetherell makes two alternative suggestions:-

(15)

NOTE—Contn. sheet.

GPB—50,000—13-5-08

Serial No.

(1) The continuance of the present arrangement of manufacturing the stamps locally, subject however, to the following conditions:-

(a) that the plates should be made in England, of an entirely new type and manufactured from a single die.

(b) that printing of the stamps should be ~~them~~ under the supervision of a responsible officer always present. In the preliminary note, Mr. Wetherell proposed that no printing should be allowed except under the personal control and examination of the head of the manufactory and of another, as one man cannot have ~~two~~ his eyes on every thing at once.

(c) that the tell-tale invariably attached to the machine (a spare tell-tale should be purchased and kept in stock, ready to replace the one in use if it should get damaged).

(d) that the plates should be obtained direct from one of the great firms, such as, ~~the~~ De la Rue, Waterlow; Bradbury, Wilkinson; in England, or the American Bank Note Company, in the United States.

(e) a separate distinctive colour should be used for each value and the design should be of a sufficiently elaborate pattern and delicate workmanship.

(f) No stamps should ever be printed on more than one kind of paper; otherwise, paper is no guide in detecting forgery (preliminary note).

(g) the stock in the hands of stamp vendors should be examined frequently without previous notice, ~~frequently~~. (preliminary note).

(h) no paper of any sort or kind should be allowed inside the printing room except the counted sheets

NOTE—Contn.-sheet.

GPB—50,000—13-5-08

Serial No.

which are going to be impressed. (preliminary note)

(i) where single dies are used, ~~such~~ as in the case of ~~the~~ high value 'general stamps', they should be of hardened steel instead of brass or gun metal which wears out very soon. (preliminary note).

(j) the perforating machine should be kept in good order and should be 'guided'. (preliminary note).

or, 4.d

(2) The local manufacture of stamps may be abolished and arrangements made for getting the required stamps printed at home.

Which of the above alternatives should be adopted is the main point for consideration.

(P (Under Fix)

Mr. Basu considered the second alternative to be ~~a~~ acceptable ~~one~~ from the purely financial point of view and recommended its adoption, provided the India Office agreed " to supervise the Mysore manufacture in England in the same way that the British India manufacture is supervised". In his later note dated 18th August 1906, Mr. Basu stated that he had "accertained privately ~~that~~ that it would be practicable to arrange the matter through the Government of India." The exact cost of obtaining the supply of stamps under this arrangement, can be found out only after the design, paper, quantity of stamps that would be ordered at one time, etc., are to be settled. If the first alternative is adopted, the precautions prescribed by Mr. Wetherell have to be taken and the plates should be obtained from England and the design and ~~the~~ colour of each description of stamps settled.

(2)

As regards the falling off in the stamp-revenue,

GPB—50,000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

File No. 173 of 1906 (26)

Serial No.

Mr. Wetherell's report deals with only the loopholes for fraud in the existing arrangement, and whether the decline is really due to any fraud actually perpetrated, has not been found out, and Mr. Rangaswami Iyengar has examined the matter and arrived at the conclusion that the decrease is accounted for otherwise than by the supposition of the existence of illicit manufacture of stamps.

Whether the falling off is due to any fraud or not, the fact that the existing system affords scope for fraud is recognized by all the authorities that have been consulted, and the adoption of either of Mr. Wetherell's suggestions to prevent fraud on the stamp revenue is the point for orders.

(Gen. Secy.) 5/12/8

The Stamp Commr. has in his letter of 8-1-08 brought to notice the defects in the existing plates & machinery & has suggested their renewal. The disposal of this Commr.'s depends on the decision to be arrived at on Mr. Wetherell's report.

5/12/8

(Dewan)

CSB 8/12/08

(2)

NOTE—Contn. sheet.

GPB—50,000—13-5-08

G. R. S. 14]
General and Revenue Secretariat.

S. R. - File No. 173 of 1906-07

Serial No. 2

From

The First Assistant to the Resident in Mysore

No. 6950 dy 22-12-1908

Informs the Darbar that prosecution has been instituted in London by the Board of Inland Revenue against one Harold Treherne for being in possession of instruments to counterfeit stamps and that the Govt. of India have been asked for specimens of counterfeited stamps.

NOTE—Contn. sheet.

BPG—55,000—27-4-09.

S.R. 173-06 (27)

Submitted to His Highness.

I am sorry for the delay that has taken place in submitting Mr. Wetherell's note on the arrangements for the manufacture and issue of stamps in Mysore. I have more than once discussed the question involved with Mr. Sparkes, the Excise Commissioner and with Mr. Narain Rao, who acted for Mr. Sparkes from July to September 1906. I had sent all the papers to Mr. Narain Rao and asked him to give his opininon on the subject, but I got the papers back only in November last sometime after Mr. Sparkes had returned to duty.

Mr. Wetherell's note is a very interesting one and conclusively shows that our existing arrangements for the manufacture and issue of stamps are defective in the extreme and afford many opportunities for fraud. It is difficult however to say whether fraud has actually been committed in the past and whether the fluctuations in the stamp revenue are due to forgeries

Sh 173-06 (28)

of stamps on any large scale. From my knowledge of the class of vendors we have, I am inclined to think that there is not much scope for forged stamps being sold in Mysore. The fact that the stamp revenue does not show any steady falling off would also seem to point to the same conclusion. The stamp revenue for 1905-06 was Rs7,88,418 or about Rs73,000 more than the revenue for 1904-05 and although there was a falling off of Rs30,135 in 1906-07, the figures for 1907-08 were higher than in 1905-06 being Rs7,98,294. The revenue returns for the past few months of the current year also show an upward tendency in the stamp revenue.

Paper under disposal × 22nd December 1908 Sh 173-06 in file

The accompanying confidential letter from the Residency has however since been received. It is reported that one Treherene who has been arrested in London and is being prosecuted by the Board of Inland Revenue, London, on a charge of being in possession of materials for making fictitious stamps is suspected of having made imitations on an extensive scale of the stamps of certain Native States including Mysore. In these circumstances,

 SH 173-06 (29)

it is urgently necessary that the arrangements for the manufacture of stamps should now be placed on a proper footing. The accompanying draft of a letter to the Residency requesting that the Government of India may be moved to make the necessary arrangements , as they are said to have made for Kashmir some years ago ,may be approved.

10/1/1929

SR 173-06 (30

Record of Cases submitted for the Orders of His Highness the Maharaja.

11/1/09
517

Subject.

Draft of a letter to Residency regarding the arrangements for the manufacture of stamps for Mysore.

Order.

Approved

KRW

12/1/09

506
15/1/09

Seen
18 Jan 09

Seen
14/1

15/1/09

(Case ... see ... DO 77 ... 1.09 ... on the same Subject)

D.O. from No: 1205

To Retter, P.O. be 14/1/09

PRIVATE SECRETARY MYSORE

Mysore

12. 1. 9.

D 2724

Dear Mr. Madhava Rao

His Highness has kept Mr. Vetturelli's report to read. He desires that the thanks of Government may be conveyed in suitable term

& Mr. Nettleton for the
trouble taken by him
in the matter & for
his valuable & compre-
hensive report.

Yours truly,

D. Morrison

G. R. S. 12]
General and Revenue Secretariat.

S.R File No. 173 of 1906

(32)

Serial No.

Immediate 6/1/09 — 1) Some draft to be put up at once
2) Then write to Mr Wetherell as in the Pol. Secy's letter — H 5.1.09

3 — To The F.A.Resi. at once
No. Pol. 5478/6/1/09. SH

Submitted
A draft letter to Mr Wetherell put up
Done 27.1.09 27.1.09. SH
Secretary

Acknowledge receipt of his letter of 22.12.1908 (Sl. 2), informs the Residency that the Darbar have, for some time past, been considering the question of putting in manufacture of stamps on a proper basis & enquires whether it is possible to have the Mysore Govt. stamps printed in England

Convert this into an official letter (in the name of the Secy). Something should be said of the action we have taken on Mr Wetherell's report — H 29/1/09

Please do so soon
30.1.09. SH

Revised draft submitted
K.S. Slightly revised.
30.1.09. To Secretary for approval
1/2 1.2.09 SH

Please put up fair draft as revised — HSB 3/2/09
Submitted 3.2.09. SH
Clean copy of the draft as revised submitted
Done 4/2 Secretary 4.2.09 SH

NOTE—Comm. sheet.

GPB—50,000—13.5.08

Serial No.

2nd cy

CRB
4/2/09

4.2.09 SH

Draft approved by
5/2/09

Issue
CRB
5/2/09

5.2.09 SH

4 To

E. W. Wetherell Esqr
Second State Geologist

No. 4E. 3412 & 9.2.1909

Conveys the thanks of H. H. Y Government for the great trouble he took in investigating the method of stamps manufacture in Mysore and for his highly valuable and comprehensive report about the defects of the existing system on

GPB—50.000—13-5-08

D.O. 788 D.O. Form No: 1214817. 1909

D.O. 88

PRIVATE SECRETARY MYSORE

The Palace, Bangalore,

16th January 1909.

Dear Mr. Madhava Rao

I return herewith with thanks the file containing Mr. Wetherell's report on Stamp Manufacture. His Highness notes that if the Government of India agree to arrange for the manufacture of Mysore stamps in England, a number of technical details will have to be worked out and he considers it desirable that advantage should be taken of Mr. Wetherell's expert assistance at that stage. I am also to suggest that figures should be collected at once of the annual demand for stamps of all denominations for the last few years (1) for the whole State and (2) at the several District Head quarters with a view to the

careful regulation of indents and of supply to the various centres. From the facts given in the report it would seem that this matter has received insufficient attention in the past.

Yours sincerely

Macomish

Serial No.

Submitted with a draft to the Stamp Govt: calling for figures showing the annual demand for Stamps of all denominations for the last few years in the several Heads D/s with a view to the careful regulation of indents & of supplies to the various Centres (as desired by the Sy in his marginal notes on private Sy's letter of the 16.1.09).

Issue

K.S. 11.2.09. [illegible]
11/2/09.

To the Comptr of Stamps
No. 3491 S 11/2/09
Requested to be furnished with statistics showing the annual demand for Stamps of all denominations from the several Districts for the last 10 years —

From the Stamp Comptr

GPB—50.000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

File No. 173 of 1906-7 (36)

Serial No.	
	No 4533 of 6/2/07
	States deal the States rec'd above are contained in the annual reports of the Stores depots & deal if necessary he shall obtain details from HQ's when submt.
	Called for orders.
	The total we want is average annual demand from each district & every kind of stores taken & each denomination both gold & non-metal. This information cannot be had from the annual reports ~~this information~~ can be had only from the Central Store Office of the Stores Supdt Address pointing this out to the Stores Comm is putup for orders thereon.
	Issue 25/2/07. 24.2.07.
7	To the Comm of Stores No 7139/54 27/2/07

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

Points out that the details required cannot be had in the annual returns & requests that they may be obtained from the reports of Steamers & Dy. Comrs & furnished early.

& From the Govt of Bengal
No 2354 dy 9/4/06
States with reference to GSL 3 (Pol no 547 dy 16/1/06) that the Govt. of India are willing to meet the wishes of the Overseas & that the designs selected for the purpose Steamers should be dissimilar from those in use in Br. India and requests to be furnished with full particulars regarding the different varieties & values of Steamps & the annual requirements in respect of each class of Steamps &c.

The Statistics called for from the Comrs of Steamps are, it is learnt under compilation in his Office and the Statement is expected

GPB—50.000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

File No. 173 of 1906

(38)

Serial No.

to transmit this office in the course of the week. In the meanwhile Mr Whitewell may be requested to furnish this office with the designs colours &c the different varieties & values of stamps & labels submitted with his

letter

No. 5 which he is to return to this office officially & no[t] with

wch 29/4

Yes please send the file as proposed to avoid delay

29/4 SH

No 7612 dy 29-4-09 Enclosure as per list below the file

Forwarded to Mr Whitewell for favor of furnishing the particulars required.

By Order

S Shivaganaiya

for Secretary to Govt Genl & Rev. Dept

Received with his letter no. 29/4/09 without the question as to the committee of award for the [illegible] 29/4/09

NOTE—Contn. sheet.

GPB—50,000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

File No. 73 of 190 6

Serial No. 9

From Mr Eds. Wethered
No 10,157 of
proposes to send a list of requirements & sketch & obtain what are called die proofs in colours for approval and states that he is drawing out a design for approval.
Also submits a note describing the details of printing of stamps adopted by Messrs De La Rue & Co.
Mr Wethered seems to require a letter authorising him to address all communications to the Press in England & some to be sent through this office.
2. In the last para of his note of 15/5/06 for remittance enclosure to the letter under approval, Mr Wethered would like to know exactly what is required of him. Wants to know whether he would be made responsible for the whole scheme on a proper footing and organise the Stamp Office. The file relating to the affairs of the Stamp Comp is enclosed.
Submitted for orders
[illegible]
19/5/06

Mr Jackson's views of these notes from Mr Wethered are likely to be sent to Mr Wethered
[illegible]
19/5/06

The connection between

8/4 140-00 5/06 (2)
B. Press 07.

NOTE—Contn. sheet.

GPB—50,000—13-5-08

Serial No.

making a good design of the stamps, proof against forgery, taking &c and the organisation of the stamps Department is not quite apparent. Nor has it been brought to notice either by Mr or does it appear that the Department has got so out of hand as that a philatelist Comr alone can put it right. Most of philatelic knowledge would have doubtless been necessary if stamps were manufactured here, but now that we are to get the stamps ready made from England there seems to be no need for such qualification in our Excise Comr.

Mr 20/5.

Mr Bethell's services are required to frame designs &c for our stamps that are to be manufactured hereafter in England under arrangement with the Government of India. He is also to give such other technical advice as may be necessary to enable us to furnish the Resy with the particulars asked for in their letter of

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

19th April 09, which has already been sent to him.

~~Mr Lethbridge~~

2. Mr Wethrell's services as Special "Shamp Commr" would probably have been required if the question of overhauling of the Shamp-manufactory were out to Japis but this matter is not under consideration now, as we are negotiating with the Govt of India for the manufacture of new Shamps in England.

3. Mr Wethrell may therefore be informed that all that is required by him is the report which he has promised to send in about the designs &c

21.5. SH

Secretary Department 21/5

558) 21/5

I see no objection to ~~the dra~~ Mr W. being asked to draft letters, or rather being unofficially consulted on the matter whenever necessary. He may be told so.

The report of Mr Wethrell

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

Assistant Secretary

is not in the file.

If the matter is not finally decided, I should like to suggest that the manufacture of Stamps with improved dies & patterns should be favourably considered. It would also depend on the Cost of the alternative scheme of getting Stamps made in England whether we should discontinue Stamp Manufacturing here.

Mr. W. may be informed as suggested by the Secretary.

24/5/06

Drafted
Dy
25/5/06
Dr 28/5

Please put up draft as revised for Submission to Dewan

27/5

Draft put up

28/5

9/57
29-5-06

Dewan

The file May be sent to

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.

Mr Sparkes for his remarks & suggestions. There is little doubt that he will study the subject for himself if he has not already done so. And in any case, a preliminary draft prepared by himself Explaining our requirements based on his practical Experience here will be helpful to Mr Wetterell in putting technical and practical matters into shape and preparing the draft which he has proposed.

Signed

4/2
3/6

No. H 123
2/5 pmc/oq

Forwarded Mr Sparkes. 4/4

Enc 2 plates as per list

S Thirugnanasambandha
asst Secretary (S.R.)

no: 13
1908 oq

I have read Mr Watterell's report & Mr Murugandamy Lingam's reply to the same & entire comm with the latter, Mr Watterell has proved nothing (has failed) than hand his statements entirely upon surmises which are worth nothing. Mr Watterell may be a clever philatelist but can have little

Serial No.

no knowledge on stamp manufacture
whereas on the other hand the Govt
Supt of the stamp manufacture has a far
more intimate knowledge of the same;
& as the present question is merely
the decision of colour & design for
stamps I think we may safely
leave it to the Govt & write to
the home firm either De la Rue &
Co or Waterlow & Sons to send us specimens
of colour & design & that we need
not trouble the Govt without further in
the matter. If this is not considered
sufficient I wd suggest that a
Committee be formed & invited to the
matter of colour & design before
sending for samples & then
again after receipt of the samples
& decide & report to Govt if such a
Committee
Com: is thought necy: I wd propose
that the Surveyr C. I be asked & invited
as he has a thorough knowledge of
the subject the Govt Chemist might
also be asked & called on his
knowledge of physiology wd be useful
as regards
As regards the use of stamp removers
& the like my opinion is that

NOTE—Contn. sheet.

GPB—50.000—13-5-08

the penal sections of the Act
Rules have not been rigidly
rigidly enforced with the result
that the penal public have
taken advantage of the same.
For instance an agreement has
been drawn up between two parties
on plain paper with the hope
that it will not be brought into
Court, but if it is brought into
Court only the stamp duty has
been levied & in some cases a
very nominal fine. I have called
upon the Clerk of Courts District
Colombo for the last two years
& such cases with the punishment
inflicted but up to date I have
only had the statement of Chilaw
which shows 144 such cases
but not a single case of prosecution.
Mr. Linday C. I. first brought this
fact to my notice & he is of opinion
that a very large number of such
cases exist throughout the province
& hence the loss in Revenue. & this
I consider to be true as it may be
fairly presumed that for every
one of such of the 144 cases brought
to light in the Chilaw Dist.

possibly five or six of such
more have been committed
& this point I think will
absorb my larger & the Bro
of Revenue. Having this point
in view I issued a Circular
to the Bro of Customs bringing
to their notice Sec: 43 of the Stamp
Reg: suggesting that a few
judicious prosecutions under this
Sec: might put down and to them
malpractices & will report the result
in my annual report.

Ltt Sparkes

11/6/09

Submitted for orders with reference
thereto to Dewan's minute of the
12/6/09 2nd instant.

Mr Sparkes has not
sent in the draft required by the
Dewan. He proposes appointment
of a Committee to first decide
the question of designs and colours

21/6/09

Dewan this 22nd (2)

22/6/9

1307
24/6/09

I think the designs may be first sent
tested by me &c

The subject may be dealt with
by

G.R.S. 12]
General and Revenue Secretariat.

SR File No. 173 of 1906 (47)

Serial No.

By a Committee consisting of Messrs Sparkes, Jules Wetherell & the Comptroller with the 2nd Councillor as Assessors

Thurs 24 June 09

CBB 26/6

Submitted to 2nd Councillor for information – before issue of order

994 26/6/09 SR

Thurs 26/6/09

Approved

28/6/09 Letter 29/6/09

~~Draft Letter to Chamber of Commerce suggesting~~

The draft order puts up five, I think, sufficiently wide issues to the Committee to make suggestions in regard to (1) arrangements for the manufacture of stamps and (2) altering the design, Colour etc of the stamps so as to prevent forgery

30/6/09 SR

See 71 GPB–50.000–13-5-08 Copy of Fair typed draft

CBB 30/6 SR 30/6/09

NOTE—Contn. sheet.

Serial No.	
	attorney the Dist. Collector & Deputy Commissioner of the General Stamps & requests the President to forward the proceedings of the Committee at an early date. The papers sent to Mr Wetherall with U.O. No. [illegible] dated 13th May 1909 leave to be sought from him as other members of the Committee may require them. Many of the papers in the file may have been returned. Sheet with address Calcutta for the return of the file by Mr Wetherall. Sent 14/7/09. Issued 14/7/09
11	To Mr Geo. Wetherall. No. 2 dated 15/7/09. Requests the return of the file referred to him unofficially
12	From Mr Geo. Wetherall. No. 2 dated 19.7.09. Returns the papers sent & requests if the Committee can arrange to hold a meeting before he goes on 5 days Casual leave

NOTE—Contn. sheet.

GPB—50.000—13-5-08

G. R. S. 12]
General and Revenue Secretariat.

S/R File No. 173 of 190 6

Serial No.

which he intends to do some time within the course of 3 weeks from now -

The Committee can meet only after the prelim of Mr Wetherell from his leave if the papers in the file are to be printed and circulated before hand -

Ruled for orders

Sd
20/7/09

Orders have to be obtained on this point Sd

Mr 20/7 Some Papers have to be printed and so it is not possible to hold a meeting before 3 weeks from now. Return a letter to Mr Wetherell accdly.

20/7/09 Sd

Draft Ruled

Sd
21/7/09

Mr 21/7 Draft may be approved. Orders are also solicited as to whether select papers may be got printed at the Govt Press (with instructions to the Supt to treat the matter as strictly confidential).

Yes please Early

137). 23/7/09

Issued 24/7

Sd

NOTE—Continue on Sheet.

GPB—50.000—13-5-08

2nd 24/7 21/7/09 Sd

R. S. 12]

General and Revenue Secretariat. | S. R. File No. 173 of 1906-07

Serial No.	
13	To E. W. Wetherell Esq No. Fl. 636 dt 24th July 1909 Informs him that it is not practicable to hold a meeting, as the material papers have to be prin and circulated to the members beforehand.
14	From The Commissioner of Stamps in Mysore Letter No 96 dt 20-7-09 States that he is unable to submit the statement called for in sl. 5, as, in spite of repeated reminders, the Comptroller has disdained from giving him a reply & requests Govt. to issue orders to the Comptroller on the subject.

NOTE—Contn. sheet.

Serial No.	
	Drafting. Select patterns to the press is ruled for useful steel
	2 issues SA
15	Yo. with C. H. Yates. No. FL. 895 of 3.8.09. Requests him to print 15 copies of Uller's Report
	Ruled. The Committee met on the 12th instant. It is of opinion that the local manufacture of steelyards should continue the design being changed & the dies plated & the entire machinery being replaced by new ones with up to date improvements. As the cost of all this is prohibitive the Committee will think of obtaining steelyards manufactured in England. Mr Wellwell has undertaken to communicate with the principal firms abroad and ascertain for the Committee the cost of both. It will therefore take some time before anything is definitely settled. It seems therefore necessary to send an

NOTE—Contn. sheet.

GPB—50.000—13-5-08

Serial No.	
	ad interim reply to the Resident's letter No 2304 dt 19.4.09 (at 8 in the file) as a memorandum has already been received. Submitted with a draft for approval or other orders.
	Secy. 23/4/09. A short ad interim reply as proposed in the draft may be sent. 23/4/09. Sdh
	Secy.
	24/4/09. Sdh 24/4/09.
17	To Hon'ble Resident, No Pol 1998 dt 27.4.09. States that a reply will be sent on receipt of the recommendations of the Committee which has been appointed to consider the matter in all its aspects whose enquiries are not yet complete.
	P.T.O.
16.	From Residency. No 5402 dt 16-8-09. With reference to para 4 of his letter no 6950 dt 22-12-08 states that no forged stamps of the Mysore State have been found in the possession of Harold Treherne.

NOTE—Contn. sheet.

GPB—50,000—13-5-08

G.R.S. 12]
General and Revenue Secretariat.

S/H File No. 173 of 1906

(584)

Serial No. 18.

From Resident
No 8860 dated 19/12/06
Requesting when the
further Communication promised
may be expected.

Mr Wethered has addressed
the several Firms in England
& New York only on the 18th
November last and it is not likely
that he would have received
replies yet from all of them.
It may take him some time
more to compare the quotations
of the several Firms and put
the matter in shape.
Called for orders & Wethered
Bill. The Resident may be
will be told to wait ~~till~~ for
a couple of months more.

Mr 25/1/07

Mr Wethall has received
replies and I am taking
orders from the Dy C for
Convening an Early Meeting of the Work
Committee. Sending the file & papers
herein. 27/1/07. SH

NOTE—Contn. sheet.

GPB—50,000—18-5-08

(55

G. R. S. 12]

General and Revenue Secretariat.

File No. 173 of 1906

Serial No.

For continuation please see later portion of the file. (Nos 19 onwards).

B

NOTE—Contn. sheet.

GPB—65,000—17-6-12.

ARCHIVES

Private

Bangalore
9. 6. 06.

Dear Mr Madhava Rao

I am enclosing herewith
my report with an official
covering letter -

I have not quite liked
to express in an official report
exactly what I think of the
method of stamp manufacture
but if I may do so in this
private letter I will say that
I have never heard of or seen
stamps manufactured under
circumstances which are an
absolute invitation to dishonest
people to forge the stamps

I hope the report will
have the effect of altering all this

May I ask that the
2 books (published by the Philatelic Society) & the little specimen which
I have sent from my own
collection to illustrate certain points

may be kept & returned to me when the report is finished with.

Certain parts of the report I have had typed - but there were others which I thought it would not be desirable to have pass through other hands - there are therefore in manuscript.

I am
Yours sincerely
E Rutherford

P.S. The report has taken much longer than I anticipated in consequence of the difficulty of following the stamped paper registers. I have not had time to finish examining the sheets of negative stamps - the book will be finished tomorrow & I will then send it in to add to the report.

Covering Letter (2

Encl. 1 of 2

S. R. 173-06- Sl. 1

M.G.D. 12] MYSORE GEOLOGICAL DEPARTMENT.

DATED BANGALORE, 9th July 1906.

No.

From

E. W. WETHERELL, ESQ., A.R.C.S., F.G.S.,

Offg. Secretary to the Government of H. H. the Maharaja of Mysore,

Geological Department.

To

V. P. Madhava Rao, Esq., C. I. E.,

Dewan of Mysore.

SIR,

I have the honour to hand you the Report which you asked me to make on the decline of the revenue from stamps.

As there is so much material I have thought it better to take all statistics &c. out of the body of the report and add them as notes, appendices, exhibits &c.

To illustrate certain points I have mounted a sheet of all the Mysore Stamps obtainable, in a large book, and have also added some stamps from my own collection to illustrate certain other points.

In addition I have added as appendices two of the publications of the Philatelic Society of India - one deals with the revenue stamps of British India and the other with the work of Messrs. Thomas de la Rue and Co. as Manufacturers of stamps.

It will be noticed that in some cases I have expressed myself somewhat strongly, but I believe that the circumstances warrant such expressions.

I have the honour to be,

Sir,

Your most obedient servant,

E. W. Shepherell

Encl. 6 Sl. 1 (3)

REPORT of Mr. C. W. Wethered

ON AN ENQUIRY INTO THE DECLINE OF THE STAMP REVENUE IN MYSORE.

EXPLANATORY NOTE.

As the amount of material is considerable it is better not to overload the report by the inclusion therein of various statistics, references, &c., these have therefore been taken out of the body of the report and have been added as Notes, Appendices & Exhibits.

Since a considerable part of the subject is extremely technical, it is necessary to commence with a brief history and a short description of the stamps themselves and of the methods employed for their manufacture, before certain important points can be made clear.

The stamps in use in the State now, or at various times since 1865, are (or have been) either adhesive labels printed from plates composed of a number of different dies, fastened together, (or in some cases of dies separately engraved on one plate), or are Government of India Stamps overprinted with the word "Mysore", or are stamped papers.

The adhesive stamps may be considered first.

(39)

Separate adhesive stamps have been used for "Court Fees", "Receipt Bill or Draft", "Foreign Bill", Receipt", "Transfer" & "Application", and for Notarial purposes the Court-Fee R 1 Stamp has been overprinted with the word "Notarial".

(4)

(1) Court-Fees.

(i) In 1872 adhesive stamps were required for Court-Fee purposes, and plates of 30 dies were manufactured in Madras, and consignments of stamps printed therefrom were received at various times (Vide Appendix 1).

(ii) In 1874 the remainders of these stamps were recalled from District Treasuries and destroyed, and their place was taken by the Government of India Court-Fee Stamps, with the name "Mysore" printed on the face of each stamp. These latter stamps were in use until 1883 (Vide Appendix 2), when a new scheme was brought in by the Government of India, whereby adhesive labels were employed only for amounts of Rs.6/- and under, while for all higher values Stamped Paper was employed/ (Vide Appendix 5).

(iii) In 1883 a new series of stamps (Vide Appendix 3) ranging from 1 anna to Rs.6/- was produced of a more elaborate design (Vide note to Appendix 3) and these were also overprinted "Mysore".

(iv) In 1886 a new design was made for Mysore, and stamps of the same values as the previous series were printed; the plate consisted of 18 separate engravings (Vide Appendix 4).

(v) In 1894 the manufactury was transferred to Bangalore and the plates were sent up from Madras.

(49)

The first point to notice is that, in the case of the special Mysore issues, i.e., 1872 & 1886, there are varieties on the plate, (Vide sheets in Appendix 16)

i.e.

5

i.e., the plate is composed of a number of separately engraved dies; consequently, each stamp on the printed sheet shows some slight variation in the details of the design. This is not the case in British Indian Stamps, which are not printed direct from the dies, but by the followwing process:- one die is made and is then hammered on to a "roller" of soft steel, this is hardened, and is then transferred to a large plate of soft steel, which also is subsequently hardened and printed from. As there is only one die, it is clear that every stamp on the sheet is absolutely identical (Vide Note 1.)

When forgery is suspected, it is a simple matter to compare the doubtful stamp with the genuine one, and if there is a slight variation it is proof positive that forgery has taken place; but in the case of the Mysore Stamps, comparison has to be made with every one of the stamps on the sheet, and as the differences are usually slight it would be a matter of considerable difficulty to detect a fraud.

When every stamp on a sheet is identical, such as in the case of Rs.100/- British India Court-Fee Stamp, it was easy for the authorities to detect the celebrated Lucknow Forgery, (Vide Note 6) but had there been varieties on the sheet the difficulty would have been enormously increased. The Mysore Court-Fee Stamps are of a much rougher design than those of the Government of India (printed by Messrs. Dela Rue & Co.) Vide Appendices 14 & 15) and could be forged much more easily, and as above mentioned, detection

(not in the file)

(41)

(6)

detection by comparison is much more difficult. If then there have been forgeries of the Government of India elaborate Rs.100/- Stamps, it is highly probable that the much more easily forged Mysore Stamp has also been imitated; and if there are people dishonest enough to forge stamps in other countries, there is no reason why Mysore should be immune from the visitations of these gentry; and if there are forgers, there would be no difficulty in finding people dishonest enough to vend them (Vide Note 3). I think that it is extremely improbable that a forger who is skilled enough to imitate a beautifully designed and printed British Indian Stamp and defraud Government of Rs. 60,000 (as was the case at Lucknow), would have left the easily forged Mysore Stamp alone; and if he could forge De la Rue's watermark, there is nothing to prevent him from doing the same to the Mysore watermark; and I must here emphasise the fact that watermarks are not the infallible protection which they are supposed to be - they are merely an additional safeguard and an additional pitfall for the forger.

The above note will show the danger of using plates composed of separate dies, and of utilizing a design poorly executed and roughly printed. But this is by no means the only opportunity which unscrupulous people could employ to defraud Government in connection with Court-Fee Stamps since another danger exists, i.e., all the stamps are printed in the same colour (orange) and in all cases the design is the same (except for the minute variations on the

(42)

(7)

plate) and only the value tablet differs: there is nothing therefore to prevent a dishonest person from taking a used Rs.6 stamp, and cutting out the value tablet, and "mending" it with an unused one anna stamp. This "mending" is called "faking" in Philatelic parlance, and is frequently resorted to by swindlers in the case of the high value postage stamps of several countries. This will I think show the danger of printing all the values in the same design, and in the same colour. The above reasons would appear sufficient sources of danger, but they pale into absolute insignificance compared with the two following facts (1) that it is not known where the plates used for printing the first issue, are located, and (2) that for actually four years stamps were printed almost daily with no "tell-tale" attached to the printing machine - an oversight which I think must be unique in the history of Stamp Manufacture. When the "tell-tale" (which records the number of descents of the plate) requires repairs a spare tell-tale should take its place- it costs about Rs.50 and yet sanction was not given for the purchase of a second, and the first appears to have actually taken four years to repair:

Of course it might be urged that it would be impossible for a dishonest person to insert a piece of paper into the machine unseen, yet one constantly hears of Examination Papers which have "got out" from various printers. Why then should not a sheet of Mysore Rs.6 Stamps share the same fate? It may also

(13)

be

be urged that there is always a responsible official in charge.

But I may point out that on a certain occasion on the Kolar Gold Field, a box containing gold was stolen and another similar box containing lead and iron was substituted for it, and this was done under the very eyes of a responsible officer of the line.

It is certain that one or even two officials cannot have their eyes everywhere, and even if the machine is double locked during the absence of the responsible official there are such things as duplicate keys, and then, when the tell-tale ought to be doing its work, there is no "tell-tale" to do it. Again, it might be said that the watermarked paper could not be obtained for dishonest printing. I have already pointed out that watermarks are only additional safeguards, and not infallable protections; for when watermarked stamps are stuck upon thick paper it becomes very difficult to distinguish the watermark and the general public never take the trouble to look at a watermark, and would not know anything about it if they did. I do not of course suggest that such things have happened, I merely point them out as source of grave danger.

(44

As far as the missing plates are concerned, it is true that they are of obsolete stamps, but it is as well that Government should know where its plates are; for reprints of stamps could be made and "discovered" as a "find" of unused stamps and Government might even be asked to refund for them because they are

obsolete.

9

Where are these - Why not secure them

obsolete. Under any circumstances there is no reason that plates should be lying about in unknown places; it would be more satisfactory to have them under lock and key at the Stamp Manufactory.

As already mentioned, the present system employs adhesive stamps to the value of only Rs.6, and for sums of Rs.7 and upward stamped paper is used. This consists of a large sheet of watermarked paper at the top of which a bi-coloured stamp is impressed. It is a matter of great surprise to me that these higher value stamps are of even rougher workmanship than that of the adhesive stamps (Vide Appendix 16) - prints occur in which the design consists of an almost indistinguishable yellow smudge with 4 blue circles - they are so indistinct that any forger could imitate them with the greatest ease, and yet these stamps have, at different times, run to Rs.20,000 dies. The pigment used varies enormously as will be seen when comparing the stamps

I have already pointed out reasons why the adhesive stamps are dangerous; but even if they were forged or faked extensively, the total amount compared with that of the high value stamped paper would be comparatively trivial and as before mentioned, the watermark is not a sure protection, especially as at least two totally different watermarks are in use and two totally distinct qualities of paper (Vide Appendix 16)

(45)

The small State of Sirmoor is so careful over its

To,

its stamped paper that it uses extremely elaborate designs beautifully printed in taille douce by Messrs. Waterlow in England, and, if Sirmoor finds it necessary, how much more necessary is it in a State like Mysore, where the annual revenue from stamps exceeds 7 lakhs.

When high value Court-Fee Stamps are required they are obtained by taking Stamped papers, and using a violet handstamp of primitive type, (Vide Appendix 17) and stamping it in the right upper corner, and by impressing a black oval control stamp lettered "Court-Fee" in place of "general stamp" in the bottom right-hand corner; in other words the current high value Court-Fee Stamps have for 20 years been provisionals i.e., makeshifts.

12

many years "Mysore Court Fees 1898". They were not Court-Fees, and the date was not always 1898. In other words, the watermark was absolutely meaningless.

The colour was supposed to be orange, but no recipe was kept for mixing the colour, with the result that varieties exist from pale yellow to reddish brown, and therefore the shade which is often of great use for the recognition of forgeries is of no value whatever.

(iii) Foreign Bill, Transfer & Bill & Draft Stamps.

Court Fee, Receipt labels, and General stamped papers are the only classes now printed at the Stamp Manufactory, but "Transfer" & "Foreign bill" stamps are still current.

The Foreign bill stamps, being Government of India labels overprinted "Mysore", are perfectly safe and require no notice here, except that I may mention that statistics are not obtainable, as one of the registers has been lost - a fact which might have been serious: but the Transfer stamp plates are missing, which is not safe when the stamps are still current - since, if the plates are in wrong hands, illegal re-prints can be made, and refunds be claimed on them. If a "tell-tale" can mysteriously disappear for four years, certain plates might do the same. Enquiries should be made as to where these plates are, and also about those of the obsolete bill & draft stamps which are also missing [As the first register is missing, I am not able to give statistics of these stamps.]

49

branch most in need of care, I am obliged to go into considerable detail and give a few facts in the history of these stamps.

In the year 1865 it was decided to use stamped papers for all purposes (there being no adhesive stamps) and an indent for enormous quantities of all the values current in British India was sent to the Mint Master, Madras (vide Appendix 20). These stamped papers received the word "Mysore" as an overprint to distinguish them from the British Indian papers.

In 1869 certain other values were made in British India and Mysore indented for fairly large supplies of these new odd or high values.

In December 1869 20 papers of each of the following unusual values were received from Madras:-

R.102, R.105, R.108, R.110, R.112½, R.114, R.115, R.120, R.130, R.135, R.140, R.145, R.155, R.160, R.162½, ~~R.165~~, R.165, R.170, R.180, R.185, R.187½, R.190, R.192, R.212½, R.225, R.237½, R.262½, R.275, R.287½, R.425, R.312½, R.325, R.337½, R.362½, R.375, R.387½, R.425, R.437½, R.450, R.462, R.475, R.487½, R.512½, R.525, R.537½, R.550, R.562½, R.625; R.775, R.850, R.925, R.1075, R.1150, R.1225, R.1300, R.1375, R.1450, R.1525, R.1600, & R.1675.

On the 16th of June 1870 (although not one of these values had been required) a further supply of 500 of each value was received, and by the 17th of October 1874 only 1 or 2 of the higher values, and

few

(16

few more of the lower values had been used and the residue was sent back to Madras to be overprinted with the new Mysore bi-coloured stamp.

In other words, the Mysore Durbar had to pay for the paper and the stamping of 30,000 rolls, and the rail charges from Madras, Clerk's time for checking, rail charge on consignments of these papers to the 8 districts, return rail charges when they were recalled, rail charges back to Madras, fees for re-stamping, return rail charges from Madras, rail charges out to the 8 districts again, and Clerk's time for checking at each operation—all for the sake of obtaining a mass of paper which was practically useless. If 50 had been indented for instead of 500 for the values between R.102 & R.500, and 10 for the higher values, that would have been more than sufficient.

With reference to these high value stamps, they had to be taken into consideration every time the register was balanced and they had to be counted at each inspection and the amount of perfectly unnecessary work that this entailed must have been very great, and the pages of the registers were for many years encumbered with details of stamps which were never used. I may also add the remarkable fact that, when the papers were sent back to Madras to be impressed with the new bi-coloured stamps no mention is made as to what values should be impressed: under ordinary circumstances, one would expect that a paper of, say R.102, would have a new R.102 stamp impressed upon it

(52)

but

17

but, as values above R.100 disappear from the registers after the return of the high value papers to Madras, it would appear that the original value was obliterate and a new value impressed; in other words, the Government was sending thousands of sheets to Madras and these sheets were practically waste paper, and the sheets returned from Madras as New Mysore stamped paper were provisionals.

I might also mention that no sample specimens were ever kept for reference and comparison, either of stamped papers, or of adhesive stamps, and at the present time if obsolete stamps turned up and Government was asked to refund on them, there would be no standard to compare them with. This is an oversight of a very serious nature and might result in great frauds on Government, as it would not be possible to identify a forgery or a reprint when there is no genuine original to compare with it. A still more curious fact is that in some cases, more sheets of certain values appear to have been returned to Madras than had ever been received. Obviously, therefore, the register is at fault, and, if the register is at fault in this particular case, it may be equally (or more) faulty in others. I have already pointed out an error of over R.1000 in the case of Transfer stamps. (vide infra page 20, art 11.)

(53)

Two sets of dies for printing the bi-colour stamps exist, one old and worn and the other still in use-worn, but still more or less serviceable, and a third series made of steel instead of brass is now coming into use.

(18

In the case of the lowest values, 3 impressions from 3 separate dies of the same value are struck on one sheet of watermarked paper. The marked difference in the dies is well illustrated in the case of the 6 anna stamp, where the lettering is half as large again on one stamp ~~than~~ as it is on the others(Vide Appendix 17 Page 42).

If the stamped papers be examined, it will be noticed that there is great diversity of colour , and therefore "shade" is of no use value (as it should be) as a means of identification of forgeries. It will also be noticed that in many cases the design is very indistinct. I have seen even more indistinct impressions than those supplied for inclusion in this report, and such terribly poor productions could be forged without any trouble.

Again it will be noticed that 2 different watermarks appear and that there are two very distinct qualities of paper. What use then, is a watermark? since in the first place very few people ever look at a watermark, and as there are two different ones, the public would not trouble if a vendor sold them one with another watermark (some illicit print), for as I have already stated, there are such people as forgers and vendors of forgeries.

(54)

In connection with the registers of these stamps, I find a surprising number of entries of stamps destroyed- corrections for wrong subtractions and additions, and entries such as "found in excess 50 rolls", "deficient 494 rolls", "destroyed as having no stamp

19

stamp impressed", "taken out of stock as irretrievably damaged". All such entries prove a certain amount of carelessness in entering the figures ; or to carelessness in the treatment of the papers, and I have on one occasion seen a mass of Transfer labels returned from a district treasury stuck together, soiled and damaged by white ant ..

4

55

more inferior dies, which have been recut or retouched on several occasions, and it would be practically impossible to identify forgeries by comparison.

8. Wholesale destructions of stamps have taken place from time to time. As stamps have leaked out from similar destructions in other countries, there is no reason to suppose that some have not leaked out in Mysore. There is no obvious reason to suppose that dishonesty of this sort is confined to England.

9. As far as I can ascertain, no Mysore Stamp has been demonetized when it becomes obsolete, as is usually the case in other countries. Hence Government cannot, I believe, legally refuse a refund on unused stamps, and with missing plates in existence, Government might be asked to refund on reprinted stamps.

10. When an engraver is employed to manufacture 30 more or more dies as nearly alike as possible, there is nothing to prevent him from making 30 more, and as they will all be imitations of the first drawing it would be a matter of great difficulty to differentiate between the 30 which he kept in his own house and those which he handed to Government. The public seems to be quite unaware that there are any differences at all, although to any one interested in stamps, the differences are easily detected. A printing press suitable for striking off sheets, would not be a costly matter, and hundreds of thousands of illicit stamps could thus be made. I do not, of course, suggest that such has been done, but point it out as a very

possible

22

possible source of danger. It is not even necessary that the original engraver should do this. Any engraver could produce dies for the manufacture of all current Mysore Stamps; and it would require expert examination to detect them. In this connection I should mention that dies are ordered from time to time, and as ~~ef~~ far as I can see, no arrangements are made that the dies should be engraved under proper supervision.

11. There is yet another danger. I have found an entry in a register [in which there are columns for sheets (of 30) and for labels;] in which 2 sheets of each value have been mentioned, but the value has been expressed as if they were 2 labels, hence, Government has been defrauded of 58 labels of each value ranging from one anna to six rupees, (a total of over R.1,000). This is a very minor matter. But it shows that there was not sufficient checking of the register, although two sets of initials are attached to the entry.

12. A still more minor item is that the public does not always cancel receipt stamps when using them, and consequently dishonest persons could use the stamps over again.

13. An even smaller, though perhaps appreciable, danger is the use of British Indian receipt stamps in place of Mysore stamps, by persons living in the City. I personally have noticed British Indian stamps on the receipts of several tradesmen whose business

premises

23

premises are within the City limits, and who should therefore use Mysorean stamps.

The above last three items would affect the revenue so little that they need scarcely be taken into account, but as they are dangers to some extent, I have mentioned them here.

I consider that the first eight reasons are sufficient to account for any falling off of revenue, and in fact open up the still wider question as to whether they have not so acted that the highest revenue figures given do not really represent the possible revenue obtainable; i.e., if these various causes acting together have had the effect of lowering the revenue from 8 to 7 lakhs, may they not have caused a possible revenue of 9 or 10 lakhs to be represented by 8 lakhs?

I would suggest that a memo be sent to District Treasury Officers calling their attention to this matter, and requiring them to take all precautions to prevent the stamps and stamp papers from getting damaged.

59

During the past twenty years, I have studied stamps with considerable care and have assisted in the exposure of several frauds and forgeries, and I am obliged to say that I have never heard of stamps being manufactured with so little care to guard against fraud, as exists in Mysore. The designs and the method of manufacture lend themselves to the assistance of dishonest persons. When one considers

that

24

that even the finest steel engravings (taille douce) have been forged, and epargne engravings have even more frequently been imitated, it would not be surprising if the rough and ready prints which serve Mysore should prove a tempting bait to the forgers and fakers of stamps; under such circumstances there does not seem to me that it is a matter of surprise that the revenue has fallen off; the surprise is that there ever was such a large revenue to fall off.

25

Notes on Annual Stamp Reports.

I now come to the consideration of the statistics relating to the sale of Stamps in the state, and to illustrate the fluctuations I have drawn up a diagram, (vide Appendix II) unfortunately I cannot obtain statistics for the years 1865-1873 as there are no reports available.

It will be seen that from the year 1873-74 to the year 1889-90 the average revenue was about Rs. 510,237 with a maximum of Rs.592,846 in 1888-89 and a minimum of Rs.442,791 in 1884-85

This year Committee of 15 months.

In 1891-92 there was a sudden increase of over two lakhs and from that date till now the revenue has only once fallen below 7 lakhs this happened in 1898-99, the plague year. The average from 1891-92 to 1904-05 is Rs.742,766 with a maximum of Rs.825,886 in 1897-98 and a minimum of Rs.644,294 in 1898-99.

There are therefore two distinct periods, that up to 1891 (with an average of about 5 lakhs) and since 1891, with an average of about 7½ lakhs.

It will be noticed that there was a steady and well defined increase from 1892-1898, and then a sudden fall of nearly two lakhs, this is not surprising, as during the plague year business was at a standstill in many directions, and it is not surprising to find an almost complete return to normal in in 1899-1900, and still further recovering to nearly

8 lakhs in 1900-1901; but it is surprising to find a fall of nearly half a lakh in 1901-1902 and no recovery, but a further fall of (1/3) of a lakh the one-third next year, and only a slight rise the next year, with 1902-03 1903-04 another fall last year, when the revenue only slightly 1904-05 exceeded 7 lakhs. There is no outside reason for this perpetual depression; the population is increasing, business is prosperous, litigation is not decreasing, and plague having almost gone, people have returned to their old haunts and old habits, that the revenue still continues so low points, therefore, to inside and not outside causes, and the notes which I have already made point to the direction of the cause.

Since 1900 separate reports of the Stamp Department have been issued - it is a matter of some surprise that an office of such importance as the Stamp Office did not issue special short reports from the time of its inauguration. As it is, there are no available records of revenue from stamps in 1865-72 and the statistics from 1873 to 1900 have to be searched for in the General Administration report of the State, wherein only the most meagre references and notes are to be found, and such radical changes as the substitution of Government of India Stamps for the Native designs, and the changes in stamped papers are not mentioned, or dismissed in a line.

I have enclosed as Appendix such reports as I have been able to find (with much difficulty) together with the reports of the Stamp Department since 1900.

27

Several attempts have been made by the Compiler of the reports to explain the low revenue, but in each case he dwels on outside causes, (which of course have an undoubted effect) whereas I have little doubt that the chief causes are inside, i.e., that they depend upon the circumstances under which Stamps have been manufactured. I cannot believe that a revenue can be kept permanently low by fluctuating outside circumstances. It is easy to understand that in plague and famine years the revenue will sufer, but there has been no real famine since the terrible years of 1875-76 when curiously enough there was an increase and not decrease in the revenue (possibly some of the forgers and fakers were among the victims) and Plague was only extremely bad in 1898-99. Yet the revenue continues below normal and unless some drastic change is made, either in accordance with my suggestions, or in some other way, I fear that it is likely to remain permanently below normal.

28

Suggestions.

There are two alternatives which I should like to bring to the notice of Government; the second I think will be the more satisfactory.

(1) That steel plates should be made in England of an entirely new type, and manufactured from a single die (as described in Note 1), instead of continuing to use the Madras brass plates of different dies, (which I have already explained is frought with danger.)

~~That~~ These plates should be sent out to Mysore, and printed from in the Stamp Manufactory, with a responsible officer always present, and with the "tell-tale" invariably attached to the machine. A spare "~~tell~~-tale" should be purchased, and kept in stock ready to replace the one in use, should it get damaged or require repairs or alterations.

The plates should be obtained direct from one of the great firms such as de la Rue; Waterlow; Bradbury Wilkinson; in England - or the American Bank Note Co. in the United States.

A separate distinctive colour should be used for each value; and ~~of~~ the design should be (as in the case of British Indian Stamps) of a sufficiently elaborate patern and delicate workmanship, that forgers would be deterred from experimenting upon it, and, if attempted, detection of the forgery would be a simple matter.

I think it very necessary that all obsolete stamps should be demonetized at once, if there would not then be any danger from leakage.

Although I have not been called upon to make suggestions for the designs, I would most respectfully suggest that a portrait of His Highness the Maharaja of Mysore is more suitable that the Mysore arms; but if the arms are present, an excellent design could be produced on a stamp of the size of the current Court-Fee Stamps by having a portrait of His Highness in an oval frame on one side of the stamp and the arms opposite, with the inscription "Mysore Court Fees" at the top, and the value at the bottom, and the lines (as at present) in the middle. If it is necessary to have vernacular inscriptions they might take the place of the value at the bottom, and the value might then come in the top line as well as the name and use- thus -

"MYSORE COURT FEES. ONE RUPEE".

I do not think that any extra expense in the first year, i.e., the cost of the new plates should weigh for a moment against the safety of the new method, and the saving in the cost of the Stamp Department (which could be abolished and the stamps received and despatched to the districts by one responsible official, with one registrar and one despatching clerk). I should also suggest a less elaborate, but more useful, method of registration.

In this connection I have had an interview with

Mr.C.H. Yates, who is at present time in charge of the Stamp manufactory, he entirely agrees with me that it would be much safer and better to have the Stamps manufactured by one of the good firms in England, and he mentions that in his opinion Government has been paying extremely heavy rates for its special paper.

If Government decide on the second alternative, the matter should be put in hand as soon as possible — as the sooner the die plates are discontinued the better, and, as soon as the stock arrives from England all the stamps now in use should be declared obsolete and demonetized, and destroyed by obliteration and not by fire, as the cancelled sheets can then be counted and checked, and there would be no fear of leakage.

As however it must take some time before new stamps could be obtained from England, I would suggest that as a temporary measure the State should return to its old usage and obtain Government of India labels and have the name "Mysore" printed across them. The Stamp Office in Madras used to charge only for the printing coolie and for packing, and sold the stamps themselves at the actual price that de la Rue charged the Government of India. The stamp manufactory should be abolished as such and only a supervisor of stock &c. should be entertained.

(67)

There are certain dies of high value which are very seldom used, these might be kept and printed from only as required and no stock of printed odd value papers should be kept.

NOTE I. Ist manufacture by frame.

The plates used by any of the great firms of Stamp Manufacturers for printing stamps, are produced as follows:-

One piece of soft steel is engraved with the required design, and then hardened to the greatest extent. It is then pressed a certain number of times on to a soft steel roller, which is in turn hardened. This roller is applied to a large flat sheet of soft steel. All the engravings on the sheet of steel are therefore identical, and they are in exactly correct position. A line is inserted round the plate to prevent the edges from getting worn, and the plate is then hardened and is ready for printing. There are two methods, (1) "taille douce", in which the lines to be printed are cut into the plate - the ink is spread on the plate and then carefully wiped off, and left only in the cuts - damped paper is used, and by great force the paper is so pressed against the plate that it takes up the ink from the cuts. By this method the finest lines can be produced. In the second method "epargne" the parts which are to print are raised. The effect by this method is very much flatter, and the finest lines cannot be shown. The method is however much cheaper and much quicker, and is now almost ~~used~~ exclusively used for all British Colonial Stamps. It is however more easily forged than taille douce engravings.

(67)

As a rule the manufacturer does not make a fresh plate for each value. He uses what is called a key

Note 2.

At the present time the postal and revenue stamps of Great Britain, British India, Ceylon, Straits Settlements, Federated Malay States, Honkong, Seychelles, Mauritius, Antiqua, Bahamas, British Central Africa, British East Africa, Uganda, British Guiana, British Honduras, Cape of Good Hope, Natal, Transvaal Orange River, Cyprus, Dominica, Falkland Islands, Fiji, Gambia, Gold Coast, Grenada, Jamaica, Leeward Islands, Lagos, Malta, Gibraltar, Montserrat, Nigeria, St.Helena, St.Lucia. St.Vincent, Sarawak, Egypt, Soudan, Sierra Leone, Johor, Tonga, Turks Islands, Virgin Islands, Siam and Zanzibar are printed by Messrs. Dela Rue & Co. (Vide monograph). Appendix 15 A few countries go to Messrs. Waterlow; while Canada and Newfoundland go to the American Bank Note Co., and only the Australian Colonies and a few of the Native States of India print their own stamps, and these are at present the poorest specimens doing duty in any part of the Empire.

In India the States of Gwalior, Jhind, Patiala Nabha and Chamba use British Indian Stamps overprinted with the name of the particular State.

Hyderabad, Bhopal, Cochin, Travancore, Gondal and some of the smaller States use stamps of their own manufacture.

(79)

Kashmir used its own stamp until recent years, but subsequently ordered all the telegraph and bill

stamps

stamps from Messrs. De la Rue. The postage stamps are those of British India.

Indore, Jaipur, Sirmoor indent for their Stamps in England.

Las Bela has its stamps manufactured by Thacker of Bombay.

Bhownagar obtains its stamps from Waterlow & Sons

Faridkot used its own stamps at first and then used British Indian Stamps overprinted with the name Faridkot, and finally used British Indian Stamps without the overprint.

Jhind still uses its own revenue stamps, but its postage stamps are British Indian overprinted "Jhind".

(86)

Note :

When Court-Fee stamps are sold by a stamp vendor to the public, the former has to write on the stamps before selling it, & this is considered by the Legislature as a perfect safeguard. — I cannot imagine a more illogical deduction.

If a vendor is dishonest & is selling forgeries (cf. ride supra) the fact that he has to write on a stamp does not make that stamp genuine. A man who is dishonest enough to forge stamps would not be so scrupulous about adding a few ink-marks.

The extraordinary belief that a vendor would only write on a genuine stamp is on a par with that of the very young stamp collector who imagines that post-marked stamps must be genuine, because they have the post-mark; or a little thinking that a post-mark would be far easier to forge than the average stamp.

To illustrate each the meaning of this Argument refer to a now famous case of fraud detected by a Philatelist in England.

the clerk put the shillings into the till & placed one of her forgeries on the telegram & immediately postmarked it heavily. — At the end of the day he counted up the shillings & took the equivalent number of genuine unused stamps out of the drawer. — The accounts were therefore correct & no suspicion was aroused.

He then took his genuine stamps to Somerset House & got a refund on them (less 5%). The enjoyment of the fraud was great; — for, had he attempted to sell the forgeries direct, someone, in course of time, would have detected the imposition, but the clerk knew that the red telegraph forms would never be examined by an expert & would be burnt in the course of a few years; & had not some dishonest person (in a much smaller way) stolen some of the stamps off the telegraph forms which he was told to burn, & had not such an expert as Mr. Nissen been the purchaser, the fraud would never have been detected.

Unfortunately, many thousands

of forms had been destroyed before the fraud was discovered. Consequently we cannot say to what extent the British Government was defrauded; but it is known that it exceeded a thousand pounds.

[It is interesting to note that the dealer who in all innocence bought the stamps exposed the fraud, was unable to get back the specimens he had sent with his report to Convict House, as for it said that the stamps were stolen property & they threatened him with prosecution for being a receiver of stolen property. They were however magnanimous enough not to press the case against him.]

The point I wish to emphasize is that the dangers are not theoretical but are actual, & although many may have escaped, it is, on the face of it, most unlikely, & certainly the stamp revenue statistics do not point to the dangers being imaginary.

(75)

Note 4

There is only one more point on which I feel called upon to remark.

My attention was first drawn to the dangerous condition under which Mysore stamps were manufactured when, in 1896, a sheet of each of the stamps was cancelled & handed to me for my collection, on a requisition to the then Dewan.

Recently I heard that there was to be a destruction of obsolete stamps. So I wrote to the late Dewan asking if the stamps might be cancelled & given to me instead of being burnt. The sanction was kindly given to this, but there was a proviso that I, being the Editor of the Philatelic Journal of India should not illustrate the stamps in that journal, &c, in the opinion of the Comptroller, quite an action would be very dangerous. Apparently however, it did not strike the Comptroller that a forger who wished to imitate a Mysore stamp would do it from the genuine stamps (procurable at any treasury) instead of imitating an

(76)

illustration.

At the present time every post in the world except the United States of America, allows all its stamps to be illustrated in the various journals & catalogues connected with Stamp collecting, in recognition the fact which I have mentioned above, that a paper would find a cheaper & better to imitate from the Stamp itself instead of from an illustration

It will be noticed in Appendix 14, that all the British Indian Stamps are illustrated. It may be considered that, had the Govt of India an double about the Issue of such a proceeding, that they would have objected

If the Govt of India together with all other Governments (except that of the United States of America) see no danger & have no objection, it seems somewhat extraordinary if Mysore be subject to illustrations while at the very moment

(77)

of forgeries & in fact was instrumental
in exposing the forgeries of the
first issue of Kashmir stamps,
& of several Afghan stamps, besides
numerous European & Australian
frauds, & was also shewed up the
notorious forger Fournier of Geneva.

I was surprised when visiting
the Philatelic Society of London &
while talking to the members, to
find that the majority of philatelists
at home were quite ignorant of
Bhopal stamps — only two catalogues
list them, & then very imperfectly —
& moreover the catalogue which
illustrates them gives 2 blocks,
— one of which is of a stamp
which never existed (& the
forgeries are to be believed) — namely,
a Chancery Fee Stamp, & the
other illustration is of an outrageous
forgery — which had been so carelessly made that
not a word of the English or vernacular
inscription can be read.

note 5. HH

In connection with this report I think it will be of interest to illustrate by specimens, the various methods of stamp printing — taille douce, epargne, lethographic & hand stamping; & also print some samples of forgery, reprinting & fraud — to show that these are common proceedings.

I have included some specimens from my collection to illustrate the fine paper of Hanover, Prussia, & the unknown places, & the importance of always using the same tint & the same paper. In other words, I wish to illustrate the necessity of having all the stamps manufactured under proper conditions.

(8)

Note

The danger of not keeping sufficient guard
(1) over plates is well illustrated by the two
following Bolivian stamps.

"A" was printed in Bolivia & is the
genuine legally printed stamp

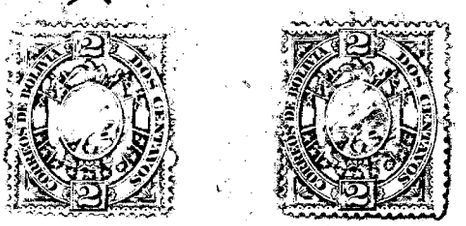
"B" was printed from the same plate
& is therefore a genuine stamp, but it
was illegally printed & is therefore a
fraud on government.

The plate was stolen & taken to
Paris & many thousands of the
stamps were printed & sent to
Bolivia - The Bolivian authorities
were unable to detect which the leg
prints from the illegal ones & therefore
(pending the issue of a new design) had
to pass the illegal stamps. - As the
are actually commoner than the
legal prints, it is clear that the
fraud was a big one

The difficulty in this case is
(2) that both stamps are printed from
the same plate. & the design therefore
will not help in the identification

Furthermore the Bolivian authorities are not very particular as to the shade of the stamps* - colour, therefore, does not help. - We have, therefore, paper only as a guide. - It will be noticed that "B" is on a thicker paper than "A", a quality never used in Bolivia & this is the Philatelists' way of distinguishing the two prints, as all the genuine stamps are on thin paper & all the Paris productions are on thicker paper. (The thinner paper is more satiny, & is very slightly toned.)

A B



legal. illegal

I think the above note will prove clearly how important it is not to have stamps on unknown place

(82)

* It has already been pointed out that Bolivian stamps also have been printed in a multitude of shades.

Note.

It will be noticed that in the case of the two Bolivian stamps above mentioned, that it is very difficult to distinguish them: In the following case there is no such difficulty; but both the stamps are genuine, but are produced in different ways

"A" is a taille douce engraving printed by the American Bank note Co. in New York. The Venezuelan Government wished to economise & very ingeniously had lithographic transfers made & printed from, locally. The result "B", a lithographic print from a plate made & used in Caracas.

The Venezuelan Government saved the cost of importing stamps; but we find that in the following case they paid indented to the American Bank-note Co. — & evidently therefore, there was no saving; if there was a saving, there was extra danger, for lithographs are easy imitated, whereas Taille douce engravings are extremely difficult to forge.

(83)

A. Printed in New York. Taille douce engraving

B. printed in C from a lit transfer

At first sight anyone would be inclined to say that the Lithograph "B" was a very poor forgery of "A", but both stamps are quite genuine whereas, in the case of the Bohemian, one is a fraud but not a forgery

In the following instance we have a case of reprinting from the original plate

genuine original

reprint postmarked

here.

There is not a case of fraud, but of reprinting. The only way that these can be distinguished is by the colour of the frame of the shield In the genuine stamp it is orange In the reprint it is yellow - This is another instance to prove the necessity of always using exactly the same pigments. - For, if yellow had ever been used for the "originals", then we should have no means of distinguishing the "reprints". - The postmark which unfortunately many people take to be a proof of genuineness is just as

Roughness of print is no indication of forgery. – The following stamps will prove this.

"A" is a genuine stamp

"B" is a forgery

(See "B" is a much clearer print. The forger probably thought that he could improve on the original design & he undoubtedly has done so.

In the case of the genuine stamp there is a colon after "AFR"; in the forgery there is a full stop. In the forgery there are dots on either side of the one which are absent in the genuine. There is a flaw in the frame of the genuine stamp & no flaw in the forgery.

~~Illegible~~

"A" roughly printed genuine.

"B" clearly printed forgery.

(85)

An even better instance of the forger to improve on the design is afforded by the Mexican Posta de Mar stamps

In the genuine stamp the value was expressed as "2" - when other values were required ~~to~~ new plates were made for certain values, while others were made by adding a figure to the "2"

"A" is the "2" value with a "5" added

"B" is the forgery with "25" neatly in the centre of the design -

To non-philatelists, the genuine stamp would appear to be a poor forgery & vice versa.

Genuine with "5" inserted

Forgery with "25" in the cen

(86)

It must also be noticed that the hair of the forgery is of better Quality than that of the genuine stamp

Forgery of the Suez Canal Stamp

An amusing instance of "improvement" is the case of the Suez Canal stamp. The forger thought that a few passengers would add to the boat - look more natural.)

There are no passengers in the genuine stamp.

I am concluding this note with a few remarks on some specimens of used Nyasa stamps from my own collection, & a few samples showing method of production.

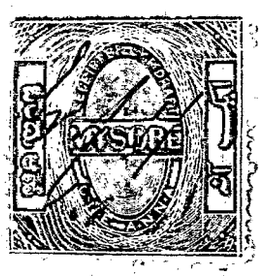
The Receipt Bill & Draft stamps of Nyasa, is of poor design & poorer execution, & when the dies became worn, the result is a production which is certainly not worthy of Nyasa.

The orange Receipt stamps are indistinct & vary much in shade. These may be compared with the taille douce engravings on the last page.

Last after Heads like these
see (54)

Fairly early state of the plate

Prints from worn dies

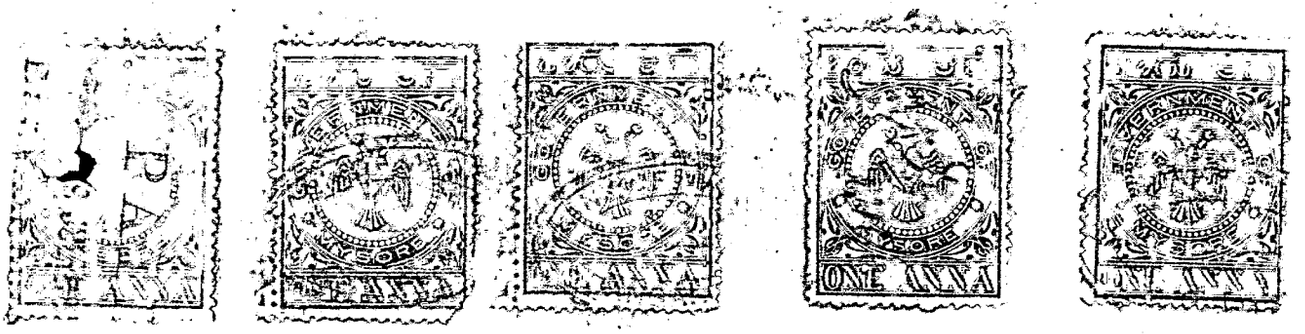


inscription at top almost illegible

Samples showing the variation in shade

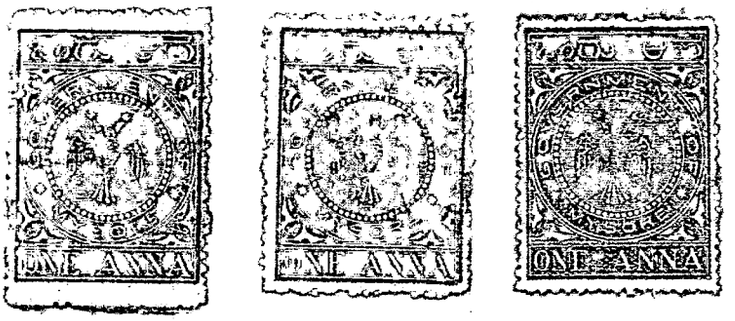
(53

Samples to show the variation in shade



Sample to show bad mixture of colour

Individual proofs



Samples to show different methods of printing, & the effect produced

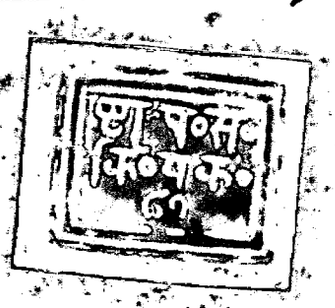
Taille douce engraving

Taille douce engraving

De la Rue surface printing.

A genuine handstamped stamp

Bhor.



The roughest stamps in the world

Preliminary

the fall in the

In place of a gradually increasing Stamp Revenue there has been a very marked falling off during the last four years, & I have carefully sought out all the causes which tended to produce this abnormal Condition.

(ii) To do this it was necessary to find out what stamps were (or had been) in use during the time, & to investigate the method of production & supervision.

(iii) The stamps fall under two main heads
(i) Adhesive labels.
(ii) Stamped papers.

(iv) The adhesive labels have been used for the following purposes
"Foreign Bill".
"Receipt"
"Receipt Bill or Draft
"Court-Fees" or Judicial
"Application"
"Notarial"
"Share Transfer"

(25)

& There is a stamp catalogued in English lists described as Chancery Fee Fund. This is not on record in the Registries of the departments

(V) The stamps from 1872 to 1874 were printed from plates of 30 dies, manufactured at Madras — printed in Madras & supplied to the Superintendent of Stamps, Mysore. They were of very poor design & showed 30 slightly different designs

From 1874 to 1887 the stamps were those of British India overprinted with the word "Mysore"

From 1887 the native designs have again been in use, at first printed in Madras; but, in recent years, they were printed in the Stamp Manufactory, Bangalore.

VI It is not necessary in this preliminary report to make any mention of the British Indian stamps overprinted "Mysore"

VII. I will now mention the many reasons why the methods employed are so extremely unsatisfactory that it is not so surprising that the revenue has dropped from 8 lakhs to 7 lakhs — as that there ever was an 8 lakh revenue

The old plates consisted of 30 dies fastened together & each of these dies was separately engraved & therefore differed somewhat from the others. — The engraver, or any other engraver, could easily make other dies which as a true

expert in engraving could recognise, after careful comparison, not only one other die, but only 30 others. Considering that the values of these stamps ranged up to R3000 per sheet, a great temptation existed for imitating them, & when one is aware that the beautifully engraved R100 stamp of British India has been forged there is no reason to suppose that the Greek stamps which is much easier to imitate successfully (for the reasons given above) than the Indian, should have escaped.

B. The labels of this (1872) first issue of Court-Fee Stamps were printed to the number of 760290, of which 408841 were used & 351449 were destroyed. + The destruction of such quantities is a very different matter & requires most careful supervision ~~&~~ for, even in England stamps have been stolen during destruction - Yet the register must contain the statement "destroyed in my presence" followed by an initial, & no details

In the case of receipt stamps, The present design was issued first in sheets of 30, then of 63 & 21 & then of 64

There has been two sets of dies numbering 65 - as there were only 64 dies employed, & I possessed 65 varieties; all watermarked, it was clear that one of the original dies had been superseded. This I was so hostile of, that it was sought for & found - tho' its existence was seemingly unknown before.

The plates used for printing the Transfer & Receipt bill & draft stamps have not been located. They are not in the Stamps Manufactory nor in the Treasury - tho' the former stamps are still current.

For some reason, all the stamps from ranna to 6 rupees are printed in the same colour — a very dangerous practice since it would be easy for the class of stamp "fakers" who alter stamps to take the value label of a used

copies stamps & carefully pasted ?
with an unused Canada
stamp - & as the colours are
the same & as "mending" is
an art which stamp forgers
have carried to a state of perfection
such as trained eye would detect
the fraud.

Most of the stamps are watermarked
& it is claimed that that is
a great protection. - it is a
mistake. - Stamp fakers (of whom
unfortunately connoisseurs of
Philatelic Societies have constant-
experience) & in showing up of whom
we take a considerable amount of pride)
are very alert in "adding a watermark".
Watermarks are only an additional
difficulty to the forger & not a
preventative

6. Not only were many of these stamps
issued watermarked but in
earlier days there were issued the
unwatermarked papers - hence
the presence of a watermark is
(9) not a safe criterion

The stamp vendors are a poor class. — In England it has occurred that a stamp vending clerk in the Stock Exchange telegraph office was in the habit of bringing large supplies of forged one shilling stamps to the office. — When a person wished to send a telegram, he paid his shilling & the clerk then stuck one of his forged stamps on to the telegraph form & placed the shilling in the till, but took one of the genuine stamps in place of the forgery he had provided. — At the end of a day the accounts were correct — but the clerk possessed a hundred or more genuine stamps which he could sell back to post without fear of detection, in place of an equal number of worthless pieces of green paper which were stuck on telegraph forms & immediately heavily postmarked.

(30) There is nothing to prevent a similar unscrupulousness among the stamp vendors here — I do not suppose that there is, but I

one of the sources of danger

J. Each time a stamp is printed so many thousand sheets are struck off - Each time, the colour is mixed for the purpose but the colours of no two printings are the same as there (or was) no recipe for mixing the colours. Consequently there are all shades from pale yellow to orange red - a fact which makes forgery much easier since the forger has not trouble about getting his colours to any particular shade

K. One of the easiest methods employed by experts to detect forged stamps is by the perforation - In the case of the stamps of Holland which I have studied very carefully, I have found out without any reference to the authorities, that there were 7 machines used - even when the same was the same - It is a matter of practice only Now, the perforations on the paper

stamps are sometimes rough that the holes are often "blind"; that is to say, no paper is removed. At other times, they are clean cut - The forger, therefore, has not to trouble about the clean cut perforation.

In the case of a British Indian stamp the forger has to imitate the design exactly, which is impossible
the colour " " different
The perforation " " very "
The watermark - " fairly "
In the case of the native stamps, it is quite sufficient if the imitator the general design (as there are 64 varieties, he can ignore details); he need not trouble about perforation, watermark or colour.

M. As with regard to stamp papers, they were all printed in Madras until the formation of the manufactory in Bangalore. - dies range from 1 anna to R2000 They are extraordinarily badly engraved & in some cases I have seen them print from which consisted of an irregular oval smudge of yellow with four spots of blue. In practically nothing could be seen of the design.

(32)

Rept there does run up to R20000.
It has been argued that even
if one were forged, the person
could make no use of it & that
the watermark is a protection.
A watermark can be imitated & the
design could be imitated easily
& persons unscrupulous enough to
make forged dies will have friends
unscrupulous enough to sell them

N. It is of frequent occurrence to
find receipt stamps unobliterated
when used. There is nothing
to prevent these stamps from
being used over again. I have
seen a R6 Court-Fee stamp
without an obliteration & I
have seen one, there are probably
thousands & each could be
used again without detection

O. The most important of all the
reasons is that the "Tell-tale"
on the Printing Machine has
been missing for several years
& at last a new one costing R80
was purchased — During the
interval there was no check on the

work of the machine. — It has been argued that no one but those in charge could use the machine ~~illicitly~~. Yet it is known that Examination papers have been "taken" under the very eyes of the printers — by the simple method of leaning against the machine with a piece of paper against the side. — the impress (in the case of stamps) would be bad, but if two or three stamps of R100 came out even poorly, they would be genuine stamps which no one could detect; but they would be, none the less, a fraud on the Government.

P. I have found one error in entry by which Government lost the value of 58 labels of each value from 1 anna to R6. — a total of about R1000.

I may summarise the dangers & suggest means of eradicating them.

(1) No printing of stamps (which are a form of paper money) should be allowed without a tell-tale on the machine – i.e there should always be a share tell-tale.

(2) No printing should be allowed except under the personal control & examination of the head of the manufactory & of another Officer, as one man cannot have his eyes on everything at once.

(3) No stamps should ever be printed on more than one kind of paper; otherwise paper is no Guide in detecting forgery.

(4) Stamps should be printed from plates consisting of (x) number of cliches hammered from 1 die & on no account should two dies (for ten, 6s) of any stamp. In England the plate consists of 240, 120, 80, or 60 cliches & every stamp is absolutely identical as they must be – having been impressed a soft steel from a single hard steel die.

(35)

(5) It is a fatal mistake to have all the values of one colour, as it makes "fakes" easier.

(6) A watermark should never be regarded as a ~~protection~~ mere protection. It should be looked upon merely as an additional deterrent to a forger.

(7) The stock in the hands of stamp vendors should be unexpectedly examined very carefully every now & then

(8) No paper of any sort or kind should be allowed inside the printing room except the counted sheets which are going to be impressed

(9) Where simple dies are used, such as in the case of the high value "General" stamps, they should be of hardened steel & not of lead or brass or soft metal which wear very quickly

(10) The elaborate system of preparation appears to give unnecessary trouble without being (as shown in note P) perfection ?

(11) The perforating machine should be kept in good order, & should be "guided"

(12) There is no necessity to burn stocks of half a million stamps merely because a new design has come in. They have cost a considerable

(3)

amount of money for printing, paper, pigment, carriage, entries, &c., to say nothing of the chance of some escaping destruction.

& finally all stamps should be of such fineness of design that forgeries would be detected at a glance.

Suppression

The cost of manufacture & the dangers which I have shown to exist would all be obviated if the Imperial Durbar followed the lead of British India & had their stamps made in England - The Indian Government (like that of Great Britain, Hongkong, Straits, Sarawak Ceylon, Seychelles, Egypt, Soudan, British East Africa, Uganda, British Somaliland Lagos, Mauritius, Trinidad, Barbados Jamaica, Bermuda Grenada, Fiji Antigua, Nigeria &c &c) have all their stamps printed by Messrs de la Rue & Co, Ltd, Sort Printers, London - A few such as Sarawak (Court Fee) & Bhavnagar go to Perkins, Bacon, & Waterlow & a few minor countries & states employ Messrs Bradbury, Wilkinson; If all these countries found it better to-

Q. to Messrs de la Rue, it means either, that it is cheaper, or that it is safer, or both -

The only way by which the Stamp Revenue can be brought to its normal value which, I should say, Duke & Lakin would be to have adhesive Stamps for all values up to £1000 & have them all of the same design so that they could be printed from key plates, but in different colours This would mean the scheme of idea & the manufacture therefrom of one plate of 64 labels which would print all values. — The values would be inserted not at a separate printing, but by the key plate method, & there are, of course, movable

By this means the stamps, if manufactured at home, would be under perfect supervision; the supply would be regular; the fear would be saved the scheme of a Stamp dept, & the cost of importing special paper. — There would be little fear of forgery & none at all, of illicit manufacture of Revenue Stamps. I will give details in my final report.

E W Nethercell.

Revenue Commissioner's Office,

Bangalore, 25th May 1907.

M.S.—R. 173—06—St. 1a.

My dear Mr. Balasundram Iyer,

I am sending herewith a Note on the conclusions of Mr. Wetherell as to the past management of the Stamp Department for the information of the Dewan and such use as he may like to make of it. There is not much to say about the future arrangements which should be capable of easy decision provided sufficient information is made available as to the outlay required.

The files received with your D.O. are herewith returned.

Yours sincerely,

A Rangacharlu

Enclosure to Sl. No. 1 — SR 173-06 70

Mr. A. Rangaswami Iyengar, Mysore

I have read with great interest the notes compiled by Mr. Wetherell on the manufacture, distribution, and sale of Mysore Court fees and General stamps for the last 30 or 40 years. He has collected very valuable information and brought to bear his great knowledge as an expert Philatelist in criticising the crude and inartistic processes employed in the manufacture of these stamps and has taken great pains to depict in dark colours the possibilities which exist for the fabrication of the stamps by a clever and intelligent rogue. He has also examined the figures of stamp revenue for some years and pronounced a strong opinion that the revenues have materially suffered by the opportunities furnished to unscrupulous men by the defects brought to notice.

2. There is no doubt that the Mysore Stamps and the processes employed for their manufacture are uncouth and primitive and do not compare favorably with those turned out by eminent English firms for the Government of India and other countries and it may also be readily granted that it is highly desirable to adopt measures for making the designs of the Stamps more elaborate and artistic and render it more difficult to imitate them.

3. But I cannot fall in with his opinion that the manufacture of stamps and the measures for sale and distribution were so defective as to lead to forgery and reduction of the stamp revenue. His criticisms are mostly hypothetical from the standpoint of a great artist and his apprehensions seem to take no note of the fact that at least in Mysore skilful forgers of the highly civilised countries of the west could not be found and further in his opinion the mere existence of possibilities of fabrication is sufficient for as-

71

assuming that fabrications were resorted to and revenue defrauded. He has failed to give sufficient weight to the precautions taken for storing and distributing stamps to the Treasuries and the rules prescribed for their sale to the public through vendors. I must also with great deference observe that his assertion that there has been a fall of revenue has not been supported by any close examination of the statistics of the Department.

4. At page 21 of his report Mr. Wetherell says

" I consider that the first eight reasons are

(1) The missing of the plates used for printing the first issue of Court fee and Transfer Stamps.

(2) The printing of all adhesive stamps in one color.

(3) The absence of a tell-tale on the printing machine for a period of about four years.

(4) The difficulty of detecting a forgery due to varieties of each Mysore Stamp.

(5) The dies being made of a soft metal like brass instead of hardened steel

(6) Ease with which the designs which are rough and poorly executed may be imitated.

(7) The use of inferior dies in higher values which make identification of ~~figures~~ forgeries impossible and

(8) The facility of leaking out of stamps on occasions of wholesale destruction.

sufficient to account for any falling off of revenue and in fact open up the still wider question as to whether they have not so acted that the highest revenue figures given do not really represent the possible revenue obtainable, i.e., ~~that, taken~~ if these various causes acting together have had the effect of lowering the revenue from 8 to 7 lakhs, may they not have caused the possible revenue of nine or ten lakhs to be represented by 8 lakhs?"

103

And at page 22 he concludes with the telling words " Under such circumstances there does not seem to me that it is a matter of surprise and (that ?) the reve-

nue

revenue has fallen off—the surprise is that there ever was such a large revenue to fall off."

5. These are very serious remarks to make as regards the condition of the Stamp revenue by a high officer of the State like Mr. Wetherell. So far as the report goes, the grounds on which he bases these assertions have reference only to the imperfections in the manufacture and some defects and irregularities in procedure which might afford possibilities for tampering with the Stamp revenue but which furnish no proof whatever that such tampering with the revenue could probably have occurred.

6. It may be urged that the evidence in support of this opinion is to be found in his Notes on annual Stamp reports which he has appended to his report. I shall therefore try to examine in detail his remarks and conclusions contained in the Notes. He has reviewed the revenue from stamps from 1873-74 to 1904-05. He does not say anything unfavorable as regards the revenue realised up to 1890-91 and observes that there are two distinct periods, that up to 1891 with an average of about 5 lakhs and since 1891 with an average of about 7½ lakhs.

7. It may be observed in passing that the mere fact that the revenue has so materially increased in the latter period is adequate evidence to show that there could have been no tampering with the manufacture or sale of stamps, for, if any forgery of stamps or defrauding of stamp revenue had occurred in the first period referred to, one would expect that the undetected commission of such fraud would naturally embolden the perpetrators to continue it on the same scale if not in much larger proportions and this material increase in the Stamp revenue is a clear indication that frauds, if any, could not have continued or increased

and

and Mr. Wetherell has probably thought likewise, as otherwise he would have commented very severely upon the apparent smallness of stamp revenue in the first period.

He then proceeds to ~~y/e/w~~ review the condition of revenue from 1892 to 1898 and notices that the sudden fall of nearly two lakhs in the last year was due to plague, that there was almost a complete return to the normal in 1899-1900, that there was further recovery in the following year but that it was surprising to find a fall of nearly half a lakh in 1901-02 and a further fall in 1902-03 followed by only a slight rise in 1903-04 with another decrease in 1904-05. He then proceeds to observe

" there is no outside reason for this perpetual depression. The population is increasing, business is prosperous, litigation is not decreasing, and plague having almost gone xxx x x x that the revenue continues so low, points therefore to inside and not outside causes and the notes which I have already made point to the direction of the cause."

8. In the above remarks Mr. Wetherell has made ~~as-~~ assumptions ~~dertions~~ which are not correct. It is not a fact that plague " has almost gone " or that " the population is increasing " and that the business ~~is increasing.~~ was prosperous as will be shewn below.

9. Mr. Wetherell has compared the total realisations including the duty recovered in the Superintendent's office, penalties etc. These items generally fluctuate owing to causes other than the general prosperity of the country and should for our purpose be excluded. I have accordingly prepared statements showing the receipts from the sale of stamps in all the Districts as shown in the statements furnished in the Stamp Report. Vide statements appended.

105

In 1901-02 the number of plague cases was report

to

See page 17 of the Administration Report of 1901-02.

See page ii

to be the largest recorded since the appearance of Plague in the State and there was a decrease of 8.5 per cent in the total number of documents registered. And as regards litigation, the total number of suits including appeals instituted was less by 1150 than in the year 1900-01.

I have not been able to get the Administration Report for 1902-03 but it may be observed that there was a further fall of about 2500 in the number of suits instituted and a reduction of about 5000 or 10 per cent in the number of documents registered in 1902-03. It will thus be seen that in both the years 1901-02 and 1902-03 business was less brisk and litigation less than in 1900-01.

In 1903-04 there was but a very slight improvement both in the institution of suits and registration of documents as will be observed in the figures noted in the margin which clearly accounts for the slight rise noticed by Mr. Wetherell

	No. of suits	No. of Registration
1900-01	23867	64681
1901-02	22725	59073
1902-03	19708	54244
1903-04	20143	56900

In 1904-05 there was again a slight fall in litigation over that of 1903 while on the otherhand the number of documents registered seemed to have increased by about 3000 or 4 per cent and odd. In this year while there was a decrease of about 9000 Rupees in the receipts from Court fees, there was an increase of nearly 6000 Rupees in General stamps which fully coincides with the decrease and increase in litigation and registration of documents respectively. It will be noticed that in this year the apparent decrease in the total revenue is chiefly due to the ~~de~~ decrease of about 19000 Rupees in the stamp duty recovered in the Superintendent's Office and in the Districts.

100

78

Districts.

Mr. Wetherell had not probably the figures for 1905-06 when he compiled his report. The total stamp revenue for this year is Rs 788418 showing an increas of about Rs 73000 or fully 10 per cent over the income of the previous year which is fully accounted for by the fact that there was an increase of nearly 25 per cent in the registration of documents and an improvement of about 5 per cent in litigation.

10. The above remarks are sufficient to show that Mr Wetherell's premises were wrong and unsupported by statistics and it follows therefore that the inferenc from them ~~are not sufficient to~~ are insufficient t warrant the imputation that the fall in the stamp revenue must be due to inside causes.

11. The telling increase of nearly 10 per cent in 1905-06 is a sufficient refutation of the allegation that the revenue is kept permanently low and the fact that this increase ~~is not justified by~~ synchronises with the corresponding improvement in litigation and registration of documents is a sufficient proof that outside causes whose potency Mr. Wetherell belittles must have really led to the fluctuations. How easily Mr. Wetherell is able to account for the changes in the stamp revenue without judicial examination may be inferred from the explanation offered by him for the alleged increase of stamp revenue in the great famine of 1875-86 by attributing it to the possibility of some of the forgers and fakers having fallen victims to the famine. An ordinary mind would rather believe that a faker thriving on stamp frauds would be the last to die of starvation. Again in the last sentence Mr. Wetherell asserts that the revenue continues below normal and unless some drasti change is made it is likely to remain permanently below normal. It is a great pity he does not discuss any

107

where

70

any where what the normal stamp revenue for Mysore should be. Nor has he taken the pains to show how this revenue has fallen below the normal from year to year and how if such decrease was due to improper practices the fluctuations could be accounted for, in what denominations of stamps and in what manner in the disposal of sale and cancellation of stamps could the fraudulent practices have been committed so as to defraud the revenue. It is very difficult to prove a negative and controvert Mr. Wetherell's apriori general conclusion in the absence of specific facts. I will however point out a few aspects from which the statistics of stamp revenue may be examined and compared from year to year in order to find out if there are any unusual or improper decrease or increase in the receipts of stamp revenue which would go to justify a suspicion of the 'inner causes' alluded to by Mr. Wetherell.

12. It may be observed that it is an obvious fact that forgers would generally take up only stamps whic are easy to fabricate and dispose of. The General stamp consists almost entirely of impressed paper excepting the one-anna receipt label and as good water mark paper cannot be had excepting from large firms in England and on the Continent an ordinary forger will not be able to perpetrate any frauds in this lin If on the other hand it be alleged that persons connected with the manufacture of stamps might forge higher denominations of General stamp paper by stealing papers from the stores or that the stamp forgers might alter the values from a smaller to a higher denomination, then the stamp revenue must suffer to the extent of the difference in the value misappropriated by these men. The average value of stamps ~~as~~ sold as per official return ~~and~~ the receipts of which are credited to Government ~~must go down~~. The Court fee, Stamp papers of ~~Rs~~ above Rs 6/- are also on water mark papers and

108

will then be affected and grow smaller every year

77

and will be subject to the same conditions. It is only in the Court fee labels ~~and~~ of Rs 6 and less that fraud could be easily perpetrated. In that event we shall find a perceptible decrease in the sale of some denomination of labels.

13. I have prepared statements A and B for the years 1897 to 1905 showing the total number of stamp labels and papers sold separately under court fee and general stamps, the average value of ~~which~~ each stamp, the number of registrations, the total number of suits and appeals instituted in each year etc. Taking the statement A of General stamps, it will be observed that the average value of each stamp ranges from ~~one~~ .58 of a rupee to .63 of a rupee and that the value varies inversely with the increase in the total receipts and the total number of registrations; for instance, in the year 1898 when the revenue was the lowest and there was a heavy fall in the number of registrations on account of plague, the average value of general stamp was at its highest viz .63 . If there was any truth in Mr. Wetherell's assumption that the stamp revenue might have been tampered with, the illicit sales of stamps of higher denominations acting on reduced revenue must have in this year proportionately tended to lower the average value of the stamps sold. This principle of rise and fall in the average value is consistent with the theory that in a bad year only indispensable large transactions are proceeded with and that in the years of general prosperity there will be a larger number of smaller transactions necessitating the purchase of smaller stamps which will tend to lower the average value.

109

14. The same results are observable as regards the Court fee stamps also. Vide Statement B. Here also the average value of each court fee stamp has ranged from .82 to .89 of a rupee and excepting in the year 1901 the lower average value has generally occurred in the

years

98

years in which the total receipt has been high. I have added another column in this statement calculating the average Court Fee income on the number of suits and appeal. The fact that the average income has increased from 19.07 in 1901 to 21.72 in 1905 shows that there could have been no loss of court fee revenue by the placing on the market of forged stamps.

15. It is instructive to compare the statements A & B prepared for the years 1897 to 1905 with the corresponding statements C & D for the years 1886-87 to 1890-91. The average value of the General Stamps ranged in this period between .48 and .52 as against .58 to .63 while in the court fees the average value lay between .75 and .78 as against .82 to .89 of the latter period. This is a clear proof that the sales of higher denominations of stamps have maintained their ground fully- a thing which would not have occurred if any fraudulent forgery or faking had been in vogue.

15.(a) I have also prepared a statement E showing the receipts from sale of certain denominations of Stamps, Judicial and non-judicial, sold in the Districts during the five years ending with 1905-06. I have chosen these denominations as they are the most largely sold and contribute nearly two-third of the total revenue. If any fraud should be attempted it would be possible to commit the same without attracting notice only in these. An examination of the figures will however show that there have been no violent fluctuations in the sales of any of these denominations. It will be seen on the other hand that for every rise or fall in the total receipt in the judicial stamps of such denominations there has been a corresponding rise or fall in those of non-judicial stamps.

110

It may be further observed that as stamps of the

79

value of 50 rupees and upwards are sold at the Treasuries there could be no possible loop-hole for forgery or other improper practices. Since the fluctuations in these stamps fairly correspond with similar fluctuations in other denominations, the inference is obvious that no tampering could have occurred in the latter. Further the rise and fall in individual denominations has occurred generally in sympathy with the total increase or decrease in Stamp revenue which could not be the case if there had been any persistent or considerable swindling in any class of stamps.

16. I have been obliged to dwell upon this question in such detail for various reasons. In the first place the impressions created by Mr. Wetherall's observations would have cast a slur on the many high officers who have been in direct charge of the Stamp Department and on those at the Head of the Administration whose duty it was to watch the progress of the stamp revenue. In the second place I have personally heard high officers of the State accepting Mr. Wetherell's opinion without question and expressing their belief that there must have been frauds in the Stamp revenue and what is worse Mr. Puttanna Chetty, the 2nd Councillor, has gone even further than Mr. Wetherell and made the sweeping assertion that "there can be no doubt that the revenue from this source has considerably sufferred from the splendid opportunities for forgery existing in the present crude system of manufacturing stamps."

111

(80)

In view of the important issues thus involved I would respectfully urge a very careful consideration of the whole question.

17. I fully agree with Mr. Wetherell in saying that the designs of the stamps should be improved and the arrangements for their manufacture should be placed on a better footing so as to leave as little loop-holes as possible for fraud. As a progressive state we should not lag behind other countries in making our stamps artistic and attractive to the philatelist, while we cannot ignore the fact that with the increase of civilisation and knowledge among the people and the increase day by day of facilities for forgery etc, it would be prejudicial to our own interest to rest content with the primitive appliances and arrangements which were sufficient till now to safeguard the revenue. But, I would urge, however, that we need not ~~however~~ from a mere fear of possible frauds in some of these arrangements, ~~and~~ go to the length of incurring heavy cost. The greatest safety against fraud in stamp revenue consists in the fact that our stamps are not like coins or notes current as cash, ~~and they~~ are not transferable from hand to hand and ~~they~~ are sold only by authorized vendors who are required to enter the names of the bona fide purchasers and to return these registers for record to Government offices. Even supposing that some unscrupulous officials of the stamp department or private swindlers found it possible to forge stamps or fake genuine stamps and stamp papers they cannot directly place them in the market except through the authorised stamp vendors. These stamp vendors generally sell stamps to a limited amount and any rise or fall in their sales would surely attract notice and lead to further enquiries. Moreover our state being small and the stamp revenue moderate there are few opportunities for a swindle on a large scale and it is unlikely that skilful and enterprising

swindlers would be tempted to exploi

18. I do not find sufficient information
t the
cost of getting the stamps manufactured by th if-
ferent firms and the expenditure required for st ng
and issuing them as compared with the present cost.
It may perhaps be desirable to have the requisite in-
formation collected in a tabular form for the orders of Govern-
ment or for being referred to a small committee con-
taining such members as the Comptroller, the Super-
intendent of the Government Press and Stationery and
the Superintendent of Stamps.

Revenue Commissioner.

113

A

Statement of Sales of General Stamps and Stamp Papers, their average value, Number of Registrations etc, during the years 1897 to 1905

Year	Total number of Stamp papers sold	Total receipts	Average value	Total realisation from sale of one anna receipt labels	Number of Registrations	Remarks
1	2	3	4	5	6	7
1897	4,36,937	2,57,679	·59	15,829	not available	
1898	3,17,923	1,92,572	·63	13,944	39,678	
1899	3,71,311	2,26,689	·61	14,848	50,962	
1900	4,56,794	2,66,755	·58	14,680	64,681	
1901	4,15,613	2,42,214	·58	14,769	59,073	
1902	3,83,350	2,26,325	·59	14,691	59,244	
1903	3,85,493	2,29,368	·59	15,102	56,900	
1904	4,02,860	2,35,328	·58	15,526	59,989	
1905	4,81,742	2,77,743	·58	17,014	74,149	

Enclosure to SR 173 of 06

(89)

Accountant
Revenue Commissioner.

A

Statement of sales of General Stamps and Stamp Papers, their average value number of Registrations etc., during the years 1897 to 1905

Year	Total number of stamp papers sold	Total receipts.	Average value.	Total realization from sale of one anna receipt labels	Number of Registrations	Value of rights	Remarks.
1	2	3	4	5	6	7	8.
1897	4,36,937.	2,57,679.	.59	15,829	49,741.	142,99,466.	
1898	3,17,923.	1,92,572.	.63.	13,944.	39,678.	103,90,680.	
1899	3,71,311.	2,26,689.	.61.	14,848.	50,962.	144,31,784.	
1900	4,56,794.	2,66,755.	.58.	14,680.	64,681.	139,00,724.	
1901	4,15,613.	2,42,214.	.58.	14,769.	59,073.	134,55,230.	
1902	3,83,350.	2,26,325.	.59.	14,691.	54,244.	123,59,804.	
1903	3,85,493.	2,29,368.	.59.	15,102.	56,900.	136,73,434.	
1904	4,02,860.	2,35,328.	.58	15,526.	59,989.	123,21,899.	
1905.	4,81,742.	2,77,743.	.58.	17,014.	74,149.	148,33,612.	

Enclosure to letter No. 1731-16

83

B

Statement of Sales of Court Fee Labels and Stamps, their average value, Civil litigation etc, during the years 1897 to 1905

Years	Total number of Court Fee labels and Stamps sold during the year	Total receipts	Average value of a stamp in rupee	Civil Suits including appeals	Average realization in Court Fee for each suit	Remarks
1	2	3	4	5	6	7
1897	5,93,220	5,06,532	·85	figures not available		
1898	4,68,358	4,10,155	·87			
1899	5,23,962	4,65,268	·89			
1900	5,21,333	4,61,638	·89	23,869 (a)	19·38 (b)	(a) In this column, the figures include all original and small cause suits, Regular and 2nd appeals instituted in each year.
1901	5,21,691	4,33,309	·83	22,725	19·07	
1902	4,96,268	4,20,996	·85	19,708	21·36	(b) This average is obtained by dividing the total receipt column (3) by the number of suits column (5)
1903	5,02,017	4,29,091	·86	20,143	21·30	
1904	5,06,129	4,20,062	·85	19,611	21·42	
1905	5,44,704	4,45,404	·82	20,504	21·72	

Enclosure No. 1 to Statement B etc

Revenue Commissioner

82

C. General Stamps

Statement of Sales of General Stamps etc for the years 1886-87 & 1890-91

Years	Number	Receipts	Average value	Number of Registration	Average income on each document
1	2	3	4	5	6
1886-87	322,353	159,032	·524	20,717	7·67
1887-88	350,343	174,921	·499	22,318	7·84
1888-89	392,037	190,527	·486	25,047	7·61
1889-90	405,694	200,993	·482	25,837	7·78
1890-91	314,628	207,745	·526	30,118	6·89

Answer
Revenue Commissioners

Enclosure to Sec(y) 8417-06

Cancellers 86 1(a) SA 17306

C. General Stamps

Statement of sales of General stamps etc for the years 1886-87 to 1890-91.

Years	Number	Receipts	Average value	Number of Registration	Value	Average income on each document
1	2	3	4	5	6	7.
1886-87	3,22,353.	1,59,032.	.524.	20,717.	77,41,727.	7.67.
1887-88	3,50,343.	1,74,921.	.499.	22,318.	60,24,761.	7.84.
1888-89.	3,92,037.	1,90,527.	.486.	25,047	64,41,367.	7.61.
1889-90.	4,05,694.	2,00,993.	.482	25,837.	87,08,590.	7.78.
1890-91.	3,14,628.	2,07,745.	.526.	30,118.	76,62,935.	6.89.

Enclosure No 17 B-96 87

D: Court Fees

Statement of Sales of Court Fee Stamps etc from 1886-87 to 1890-91.

Years.	Number of Stamps	Receipts by Sale	Average value of each stamp	Number of suits including appeals	Average income in each suit from Court Fees	Total income of Civil Courts excluding process fees.	Average incam of each suit
1	2	3	4	5	6	7	8
1886-87	3,83,363	3,00,941	.785	17,996	16.72	2,43,215	13.52
1887-88	4,06,745	3,06,868	.754	17,861	17.18	2,69,052	15.52
1888-89	4,24,295	3,26,528	.769	17,870	18.27	2,67,537	14.99
1889-90	4,30,927	3,34,870	.777	18,167	18.43	2,76,660	15.23
1890-91	4,31,141	3,39,220	.787	19,133	17.73	2,89,279	15.12

Enclosure to G.O. No. 1173-86. 1891

Enclosure to 511 (a) E

8D 173-06

Statement Shewing the value of certain denomination

District Treasuries during the

	Judicial.						
	One anna	Eight annas	One rupee	Ten rupees	Fifteen rupees	Rupees fifty and upwards	Tota
1901-02.	6,842-2-	131,442-"	51,278-"	22,970-"	19,905-"	54,330-"	2,86,76
1902-03.	6,358-4-	125,485-"	49,396-"	23,610-"	20,175-"	48,320-"	2,73,34
1903-04.	6,687-9-	126,011-8	49,576-"	24,330-"	19,065-"	47,855-"	2,73,52
1904-05.	6,762-2-	127,849-"	51,081-"	22,430-"	19,095-"	46,785-"	2,74,00
1905-06.	7,152-5-	140,076-"	54,585-"	23,720-"	19,125-"	50,055-"	2,94,71

of Stamps, Judicial and non-judicial, sold at the

years 1901-2 to 1905-6.

	Non-judicial.							
	One anna Receipt Stamps.	Eight annas	One rupee	Ten rupees	Fifteen rupees	Rupees fifty and upwards.	Total	Grand Total.
2.	14,769-"	52,764-8.	45,432-"	8,030-"	5,250-"	6,140-"	1,32,385-8	4,19,152-10
-4	14,691-8.	48,901-"	41,791-"	8,110-"	4,320-"	5,540-"	1,23,353-8.	3,96,697-12
-1	15,102-7	49,097-8	42,360-"	7,870-"	4,560-"	6,400-"	1,25,389-15	3,98,915-"
-2	15,526-15	51,365-"	43,396-"	7,450-"	4,245-"	5,655-"	1,27,637-15	4,01,640-1
-5.	17,014-6	60,534-"	51,793-"	8,260-"	4,905-"	7,040-"	1,49,546-6	4,44,259-11

Enclosure to Sl. No. 8 N.F. 3

Statement showing the value of certain denomination
Treasuries during the 5 y

Years.	Judicial							
	One annas	Eight annas	Cone Rupie	Ten Rupees	Fifteen Rupees	Rs fifty and upwards	Total	Cone annas
1901-02	6,842-2	131,441-	57,278-	22,970-	19,905-	54,330	2,86,767-2	14,76
1902-03	6,358-4	125,485-	49,396-	23,610-	20,175-	48,320	2,73,344-4	14,69
1903-04	6,687-9	126,011-8	49,576-	24,330-	19,065-	47,855	2,73,525-1	15,102
1904-05	6,762-2	127,849-	51,081-	22,430-	19,095-	46,885	2,74,002-2	15,52
1905-06	7,152-5	140,076-	54,585-	23,720-	19125-	50,055	2,94,713-5	17,014

E

(9)

... of Stamps, Judicial and non-judicial, sold at the District ... 1901 02 to 1905-06

Non-judicial

Receipt Stamps	Eight annas	One Rupee	Two Rupees	Fifteen Rupees	Rs. fifty and upwards	Total
--	52,764-8	45,432 --	8,030 --	5,250 --	6,140 --	1,32,385-8
8	48,901 --	41,791 --	8,110 --	4,320 --	5,540 --	1,23,353-8
7	49,097-8	42,360 --	7,870 --	4,560 --	6,400 --	1,25,389-15
15	51,365 --	43,396 --	7,450 --	4,245 --	5,655 --	1,27,637-15
6	60,534 --	51,793 --	8,260 --	4,905 --	7,040 --	1,49,546-6

Revenue Commissioner

Confidential.

No. 6950.

From

T. B. COPELAND, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

No 6950 Dated Bangalore, 22nd December, 1908.

Sir,

I am directed to state that the Board of Inland Revenue, London, has recently instituted a prosecution against one Harold Treherne for being in possession of materials for making fictitious stamps in contravention of section 7 of the Post Office Protection Act, 1894.

2. Amongst the papers found in Treherne's possession was a mass of letters written by one Thomas Hill who is understood to be a Master Pilot under the Bombay Port Trust, to Harold Treherne, alias H. Curtis, alias H. Hordern, from Frere Hotel, Bombay. These letters show that Treherne was in possession of materials for making fictitious stamps, and among the dies or blocks found by the Police in the possession of the offender at the time of his arrest were a number for forging the stamps forcertain Native States of India, while the correspondence seized, in conjunction with other evidence, would seem to point to the fact that imitations of the stamps of Native States have been made by Treherne on an extensive scale. The Native States particularly mentioned include Mysore and the letters further show that Treherne was receiving from Hill large consignments of stamps, chiefly Indian, a single consign-

ment

(93)

consignment sometimes consisting of thousands of stamps. Thes stamps were surcharged by Treherne and were then returned to Hill. From enquiry made, it appears that there is practically no market whatever for these stamps among philatelists in England, but such large quantities of the stamps might easily be used as a fraud on the revenue of Native States.

3. In the circumstances, and in view of the risk to the revenue of the States concerned from the misuse of the stamps, His Majesty's Secretary of State for India has communicated the facts to the Government of India for such enquiry and action as may be necessary. The Government of Bombay have been addressed by the Government of India on the subject and the matter is now brought to the notice of the Durbar for such action as may be deemed necessary.

4. The Government of India have been asked for specimens of the stamps in question concerning Mysore or a description of them, and on receipt of their reply, a further communication will be made to the Durbar.

I have the honour to be,

S i r,

Your most obedient servant,

First Assistant Resident.

S.I.

NNR

(89)

Confidential

Letter to

The First Assistant to the Hon'ble
the Resident in Mysore.

Sir,

I am directed to acknowledge the receipt of your confidential letter No.6950 dated 22nd December 1908 communicating the facts connected with the arrest of Harold Treherne who is suspected of having made imitations on an extensive scale of the stamps of certain Native States in India including Mysore.

The Durbar have for some time past had under consideration the question of putting the manufacture of stamps on a proper basis. It has been felt that the existing arrangements, under which the stamps are printed at Bangalore, are exceedingly defective and afford many opportunities for fraud. Among the circumstances which constitute possible sources of danger may be mentioned the following:-

(1) The plates used for printing the first issue of Court-fee and Transfer stamps are missing.

(2) All adhesive stamps are now printed in one colour; and this arrangement gives an opportunity for substitution of the 'value label' of a high value used stamp on an unused stamp of lower value.

(3) There was for a period of 4 years no tell-tale on the printing machine.

95

(4) There are many varieties of each Mysore stamp, since the plates are composed of single dies fixed together or separately engraved on the plate which makes detection of a forgery a very long and difficult operation.

(5) The present dies are of brass, which is a soft metal and wears out easily, and requires recutting or retouching, giving rise thereby to many other varieties.

(6) The designs are rough and poorly executed and could therefore be easily imitated.

(7) The higher values are printed from still more inferior dies which have been recut and retouched on several occasions and it would be practically impossible to identify forgeries by comparison.

(8) As the plates are composed of a number of separately engraved dies, similar dies may be manufactured by the engraver who makes the dies for Government or by other engravers and forged stamps produced from such dies. Dies are ordered from time to time and no arrangements are made for getting them made under proper supervision.

From an examination of the figures relating to the sale of stamps with the statistics relating to litigation and to the registration of assurances, it is not possible to say that any fraud on the stamp revenue of the State has actually been perpetrated in the past, the statistics in fact seem to point to the opposite conclusion- but there can be no doubt that the

91

(96)

continuance of the existing defective arrangements exposes the stamp revenue to the ~~great~~ gravest risk. In these circumstances, the Durbar are very grateful to the Government of India for having brought to their notice the facts connected with the case of Treherne.

As regards the arrangements to be made for the future, two alternatives have been suggested:-

(i) The steel plates should be made in England of an entirely new type, and manufactured from a single die, ~~instead of containing~~ the use of the Madras brass plates of different dies. ~~is discontinued.~~

These plates should be sent out to Mysore, and printed from in the Stamp Manufactory, ~~with~~ in the presence of a responsible officer ~~always present~~, and with the "tell-tale" invariably attached to the machine. A spare "tell-tale" should be purchased, and kept in stock ready to replace the one in use, should it get damaged or require repairs or alterations. The plates should be obtained direct from one of the great firms such as de la Rue, Waterlow, Bradbury Wilkinson, in England - or the American Bank Note Co., in the United States. A separate distinctive colour should be used for each value, and the design should be (as in the case of British Indian Stamps) of a sufficiently elaborate pattern and delicate workmanship, that forgery would be deterred from experimenting upon it, and, if attempted, detection of the forgery would be a simple matter.

(97)

(97)

(ii) The second suggestion is that Mysore should follow the example of the Government of India and of nearly all dependencies of the British Empire and have their stamps printed in England, and consignments sent out on indent.

The former alternative will do away to a great extent with the danger of substituting "value tablets" and of forgery, but it will not diminish the cost of the Stamp Department, nor will there be saving in printers' ink, pigments and paper, which are heavy items, and in addition there will be the cost of the new plates and the expense of sending them out. These disadvantages would not exist with the latter alternative, which the Durbar are therefore disposed to prefer. It is understood that the stamps for use in British India are manufactured by Messrs. Thomas de la Rue & Co. under Government supervision, and if the printing of Mysore stamps is to be entrusted to the same firm or any other firm in England, it would be necessary to have the printing done under proper supervision. I am therefore to request that the Hon'ble the Resident may be pleased to move the Government of India to make the necessary arrangements with an English firm on behalf of the Durbar and provide for proper supervision being exercised through the India Office. It is understood that similar arrangements were made by the Government of India some years ago on behalf of the Kashmir Durbar.

(9)

(98)

In view of the great importance of the subject I am to request that the Government of India may be requested to treat the matter as urgent.

I have &c.,

Secretary to Government.

Clear draft

99

G.R.S. 26]

File No.

Serial No. 4

Diary No. of letter replied to 2725

No. H3412

9th February 09

General and Revenue Secretariat

([illegible])

the 190 .

To Geo. Wellcome Esq.
Second Asst. Geologist

Date of issue

Signed by

Sir,

I am desired to convey to you the thanks of H.E. the Governor for the great trouble you have taken in investigating the methods of Tanning & manufacture in Nyasaland and for your extremely valuable & comprehensive report explaining the defects of the existing system and the possibilities of fraud being committed

over.

SUBJECT.

2725

and containing suggestions for the prevention of such fraud. I am to add that steps are being taken by Govt. to get the stamps printed in England as suggested by You.

I have &c

C&B 4/1-05

Secy to Govt

5/1/05

List of enclosures.

Copied by

Examined by

MGCPB—30,000—16-2-05

(101

G.R.O. 26]

File No. 1891 123
Serial No. 5

Diary No. of letter replied to 2788

No. 26349/1

General and Revenue Secretariat
(S.R)
, *the* 190 .

To 11-2-09
The Comptroller Stamps.

Date of issue

Signed by

Sir,

I am directed to request you to be so good as to collect & submit at once graduate figures showing the annual demand for stamps of all denominations for the last few years, say ten years, (1) for the whole State and (2) at the several St: Head Quarters with a view to the careful regulation of indents & supply to the various centers in future.

I have &c. over.

SUBJECT.

Sd
Secretariat.

11/2/09

K.S.
11/2/09

(102

No. 453

Office of the Commissioner
of Stamps in Mysore.
Dalid (camp Arkalgud 14th.

16th February 1909.

SR 193-6

From,

H. H. Sparkes Esqr.
Commissioner of Stamps.

To

C. S. Balasundaram Iyer Esqr. B.A
offg: Secretary to the Government
of H. H. the Maharaja of Mysore
General & Rev: Departments.

Sir,

In reply to your letter No. F. 3491 dated the 11th February 1909, I have the honour to state that all the information required, therein, can be had from the annual administration-reports submitted to Government every year. If it is however necessary, I shall obtain extracts from the same at Head quarters and submit them. This will of course take some time.

I have the honour to be
Sir
your most obedient servant

H. H. Sparkes
Commissioner of Stamps

S 2898

190

From

The Commissioner of Stamps in Mysore.

To

The Secretary to the Govt. of H.H. The Maharajah of Mysore, General and Revenue Department.

Dated
Despatched } Bangalore. 16-2-09
Received

General No. 453
No.

Enclosure No. nil.

Stating that the figures showing the demand for stamps every year may be found in the Annual Administration Reports of the Stamp Department.

(103

G.R.S. 26]

File No. 173
Serial No. 7

Diary No. of letter replied to 2898

No. H 3984
dt 27-2-09

General and Revenue Secretariat
(SH)
, the 190 .

To The Comptroller & Auditor General
Simla

Date of issue 27-2-09

Signed by W Thorburn

Sir

With reference to your letter No 453 dt 4th 2/09 stating that the information required by this office regarding the annual indents for stores from the Naval Dockyards Calcutta and Bombay from the annual returns of the stores dept, I am directed to point out that what is required is the actual annual

over.

SUBJECT.

necessity based upon the details for the past 10 years of Stamp papers & labels of each denomination both judicial & non judicial ~~unable~~ supplied to ~~every~~ each district. This can be had only from the Stamp Depôt Office and not from the annual ad. reports. I am to request therefore that you will obtain the above information without delay and submit it to Govt.

I have the

Sd

[illegible]

List of enclosures.

Copied by [illegible] 27/12

Examined by

No. 2304.

From

T. B. COPELAND, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysor

No 2304 Dated Bangalore, 19th April 1909.

SIR,

I am directed to refer to Mr. Chandrasekhara Iyer's Confidential letter No. 547-Pol., dated the 16th January 1909, regarding the desire of the Durbar that arrangements should be made for the manufacture in England of the stamps required for the use of the State.

2. In reply, I am to say that the Government of India are willing to meet the wishes of the Durbar in the matter. It is however, essential that the designs selected for the Mysore stamps should be dissimilar from those in use in British India. I am accordingly to request that full particulars regarding the diffenent varieties and values of stamps required may be forwarded to this office together with a statement of the annual requirements in respect of each class of stamp and any special instructions it may be desired to give regarding

designs

designs, colours, etc.,

On receipt of these particulars, estimates of the --- of the cost and terms on which the stamps can be manufactured and supplied will be obtained and furnished to the Durbar.

I have the honour to be,

Sir,

Your most obedient servant,

First Assistant Resident.

(Enclosure to letter No. 1, dated 15th May 1904)

Sly 801173-06

a note

The Revenue Stamps printed by Messrs. Thomas de la Rue for the British Government are printed in what is known as "double Fugitive" inks, which prevents any attempt at cleaning. As however there are only 2 perfect "D F" inks the manufacturers utilize certain coloured papers, and print the stamps in one or other of the fugitiveinks on a series of differently tinted paper. This gives the effect of different colour so that substitution of "value" labels is not possible.

There is only one die engraved, and from this one plate is made for all values. This is printed, and at a second printing the name, value &c. is struck; consequently there is great saving of expense in the manufacture of plates. This one plate is called a "key" plate. As there are so many technical matters to be gone into with the Printers it would be better that the letters should be drafted by me and submitted for approval to Government.

I note that Government fear that they may have been defrauded by the Treherne Forgeries - This is quite out of the question. Treherne did not forge stamps at all, he "Faked" them i.e. he obtained Common used Indian Postage Stamps worth an anna or two per thousand, and carefully imitated the "Patiala", "Nabha", "Chamba" &c. surcharges - these he put on them, and then sold them to ignorant people as rare Convention State Stamps. It is rather remarkable that this which would do no harm whatever to the Mysore Durbar (as in the first place the stamps were Postage Stamps and Mysore has no special postage stamps, and secondly they were used stamps which were faked and the deception was

against

against stamp collectors and not against a Government) should have been noticed

Yet there have been several instances brought to light recently by us, when actual manufacturies were found, and they were making Stamps to defraud Governments. This does not appear to have been noticed by the Durbar. I should like to be informed by His Highness' Government exactly what is required from me as I understood from Mr.Maconochie at the time I explained my report to His Highness, that I was required to be a sort of special Stamp Commissioner to put the whole scheme on a proper footing- and organise the Stamp Office of the State.

E W Vredenburg

Dated Bangalore,
15th May 1909.

Second State Geologist in Mysore.

S.R.V. 173-06-8(10)

Proceedings of the Government of His Highness the Maharaja of Mysore.

Order No. F6289-93 / S.R.V.173-06-10

Dated Bangalore, 10 July 1909.

Government are pleased to appoint a Committee consisting of Mr. H. V. Nanjundayya, Second Councillor (as President), and Mr. H. H. Sparkes, Mr. J.S.Chakravarti, Mr. C. H. Yates and Mr. E.W.Wetherell as members for considering the question of the future arrangements for the manufacture and supply of stamps in the State, including the question of suitably altering the dies, and colours and designs of the several stamps. The President is requested to forward to Government the report of the Committee at an early date.

CSB 24/7/09

Offg: Secretary to Govt.

To

Mr. H.V.Nanjundayya Esq.,M.A.,M.L.,
Second Councillor.
H.H.Sparkes Esq.,Commissioner of Stamps
C. H. Yates Esq., Superintendent of Stamp Manufactory.
E.W.Wetherell, Second State Geologist.
J.S.Chakravarti Esq.,M.A.,F.R.A.S,
Comptroller, Mysore Government

M.L.

(112
73

G.R.S. 26]

File No. 86

Serial No. 11

Diary No. of letter replied to 6264

No. 7402

General and Revenue Secretariat

(SR)

, *the* 190 .

Dated 15th July 1909

To The Accountant Examiner
Second State Geologist
in Mysore

Date of issue 15th July 1909

Signed by W Hinchman

Sir

With reference to
G.O. No. H 789-93-SR 173-06
dt. 10th July 09 appointing
a Committee to consider
the question of the future
arrangements for the
manufacture and supply
of stamps in the State
including the question
of suitably altering the
Dies, Colours and Designs
of the Several stamps,
I am directed to request

over.

SUBJECT.

M
4-7

(113)

Head Qrs will be so good as to return at a very early date the file referred to herein with W.O. No 168 dated 13th May 19 05 as it has to be circulated to the other members of the Committee

Maxwell

Lt Col

for Sec

Sec

Lt Col

List of enclosures.

Copied by

Examined by

MGCPB—30,000—16-2-05

E447

346 173-06-12

No. 2
Encls. two.

Mysore Geological Department,
Dated Bangalore, 19th July 1909.

From

E.W. Wetherell, Esquire, A.R.C.S.,F.G.S.,
Second State Geologist in Mysore.

To

K.S. Chandrasekhara Iyer, Esquire, B.A.,B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore,
General & Revenue Departments.

Sir,

In compliance with your letter No.Fl.402/S.R.173-06, dated 15th July 1909, I have the honour to forward herewith the two files forwarded to me Un-officially with No.Fl.112, dated 29th April 1909, and Fl.118, dated 13th May 1909, on the subject of future arrangements for the manufacture and supply of Stamps in the Mysore State.

2. I intend going on casual leave for 5 days some time within the course of 3 weeks from now and I should like to be informed if the Committee can arrange to hold a meeting before then.

I have the honour to be,
Sir,
Your most obedient servant,

E.W. Wetherell

C.N.

Second State Geologist in Mysore.

G.R.S. 26] ab

115
173

File No 36

Serial No 13

Diary No. of letter replied to 346

No. H634

General and Rev. Secretariat

(8/7)

, the 190 .

To 24 July 06

Edw. Cadell Esqre
Second State Geologist

Date of issue 24 July 06

Signed by W Bringsmead Sec

With reference to
paragraph 2 of your letter
No 28 of 8th July 1906 en-
quiring if the Committee
appointed for Considering
the question of the future
arrangements for
the manufacture &
supply of stamps can
meet forthwith to
hold the meeting
before three weeks
from now, I have

Within

over.

SUBJECT.

W.L. 2/7

110

Decided to enforce upon
that it is not practicable machines
~~to hold the meeting~~
~~before three weeks~~; today so, as Papers
have to be printed &
circulated to the mem-
bers beforehand.

Thanks

Sd

Foster

Rec 21/7/05

wr 21/7.

List of enclosures,

Copied by

Examined by

MGCPB—20,000-19-12—04.

1/3-06-14
518

190

From The Commissioner of Stamps
in Mysore,
Bangalore.

To The Secretary to the Govt. o
H.H.The Maharajah of Mysore
General & Revenue Departme

Dated } 28th July 1909.
Despatched }

Received

General No. 76
No.

Enclosure No.

Stating that he is unable to submit to Government the Statement, showing the annual demand for Stamp of all denominations for the decade ending 1907-08, owing to the Comptr ler's failure to furnish this Office with the necessary information.

117

Office of the Commissioner of Stamps
in Mysore,
Bangalore

No. 76

Dated Bangalore 28th July 1910.

16

From

H.H.Sparkes, Esq.,
Commissioner of Stamps
in Mysore,
Bangalore.

To

K.S.Chandrasekhara Iyer, Esq.,B.A.,B.L.,
Secretary to the Govt. of H.H.
The Maharajah of Mysore,
General and Revenue Departments.

Sir,

Adverting to your letter No.Fl.611/S.R.173-06 dated 23-7-09, I have the honor to state that, as the Superintendent of Stamps reported that the Stamp accounts were being compiled in his Office only from July 1903 and that the statistics relating to the annual demand for Stamps for the five years prior to July 1903 should therefore be obtained from the Comptroller's Office, I requested the Comptroller to furnish these figures vide my letter No. 709 dated 7-5-09. Repeated reminders, as noted in the margin, have also been issued to the Comptroller. But up to date the Comptroller has disdained to reply. I request Government therefore to issue him orders on the subject.

1. No. 750 dated 4-6-09,
2. No. 798 dated 22-6-09,
3. No. 5 dated 6-7-09, and
4. No. 73 dated 24-7-09.

I have the honor to be,
Sir,
Your most obedient servant,

H.H.Sparkes

Commissioner of Stamps.

6871

Pol. 6120 30-8

D 21-5-

No. 5402 — 6/4/73-00

gl (16)

Confidential

FROM

T. B. COPELAND, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

To Resident No. dt 20/8/08

N.v. File

I 4/21/4

Dated Bangalore, 16 August 1909.

SIR,

With reference to paragraph 4 of my letter No. 6950 dated the 22nd December 1908, I am directed to state that no forged stamps of the Mysore State have been found in the possession of Harold Treherne.

I have the honour to be,
Sir,
Your most obedient servant,

T. B. Copeland

First Assistant Resident.

K.M.

17/8/09

G.R.S. 26]

Rec'd 25-4-09

121
3

File No. 66
Serial No 117

Diary No. of letter replied to 111-4

Pub. No. 298.

General and Rev. Secretariat
(S/L)
, the 190 .

To
The Dy. Resident
in Mysore

Date of issue 27-9-09.

Signed by Mr. P G D'Souza

Sir,

I am directed to refer to the correspondence ending with your letter No 230 of 8 dt. 9th April 1909 regarding the future advancement for the manufactured articles of stamps in the Mysore State

I am to state that the question was referred to a committee consisting of the Officers of the State named in the margin

over.

1) Rao B. Ramachandra Iyer 2nd Councillor (President)
2) " Rao. Vellandi 2nd State Engr.
3) " J.S. Chakravarti Comptroller
4) " H.H. Davies Conservator of Forests
5) " C.H. Yale Director of Industries & Commerce

SUBJECT.

I am to state that the reply will be sent on receipt of the recommendations of a Committee to which the matter has been referred for investigation and report. I have

Mem 25/9

S/L

The Mauritius mail on the
13th. instant and the Canc.
& the Concession that
the Stamps should continue
to be manufactured
locally with improved
designs, the dies & plates
as also the Machinery
being Completely replaced by
~~with~~ new ones with
up to date improvements.
2. The Cost of this is
prohibitively high
the Mauritius may ~~have~~
now prefer the Stamps
to being manufactured
in England. The question
is being further investi-
gated by Mr Geo. Wellwell
~~who~~ in Communication
with the principal
firms abroad. I am
to add that the final
decision of the Mauritius
will be Communicated to you

List of enclosures,
nil

Copied by

Examined by

D. 23.09 SR Pol. 9&10

No. 8060. R 22-12-09 Sl. 18 &17

FROM

T. B. COPELAND, ESQ., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

Dated Bangalore, 22nd December 1909

SIR,

I am directed to invite a reference to Mr. Chandrasekhara Iyer's letter No.298-Pol., dated the 27th September 1909, regarding the future arrangements for the manufacture and supply of stamps in the Mysore State, and to enquire when the further communication promised therein may be expected.

I have the honour tobe,
Sir,
Your most obedient servant,

T. B. Copeland

First Assistant Resident.

K.M.

Copy for the file
S.M. 173-06

CONFIDENTIAL.

PAPERS *RE* THE MANUFACTURE AND SUPPLY OF STAMPS IN THE STATE.

[CONFIDENTIAL.

1906-07

GENERAL AND REVENUE SECRETARIAT.

(SEPARATE REVENUE.)

NOTES.

File No. 173 of 1906.

Mr. E. W. Wetherell's report on the fall of the stamp revenue in the State, and further arrangements for the manufacture of stamps.

"To First Councillor for kind perusal. The note may be sent on to the Second Councillor after the First Councillor has done with it."

V. P. MADHAVA RAO,
22-6-06.

Passed on to Second Councillor. The further report promised has not yet come.

T. ANANDA RAO,
4-9-06.

I have read Mr. Wetherell's memo with much interest. It is high time that we took steps to put the supply of stamps on a proper basis. There can be no doubt that the revenue from this source has considerably suffered from the splendid opportunities for forgery existing in the present crude system of manufacturing stamps. Mr. Wetherell might be asked to pursue the enquiry and suggest the best means of securing our stamp revenue against fraud. The designs will have to be settled.

K. P. PUTTANNA CHETTY,
5-9-06.

1. In this file Mr. Wetherell has considered the subject of the falling off in stamp revenue in Mysore from his own standpoint. I think he has conclusively proved that there is serious risk of forgery under present conditions. But whether any forgery has actually taken place is more than we can say. I have, during the last 18 months, missed no opportunity of inviting attention of Government to the disappointing character of the course of the stamp revenue in Mysore and, for my part, I have thought the falling off was probably due either to lax supervision or to non-enforcement of the Stamp Laws. I have also brought to notice of Government the unsatisfactory nature of the present arrangement under which the stamp manufacture is carried on in this building.

2. As far as statistics of stamp revenue go, Madras with a population of 382 lakhs has a stamp revenue of about 88½ lakhs. Assam with a population of 58½ lakhs earns about 10 lakhs of stamp revenue. Berar yields about 9 lakhs with a population of 27½ lakhs. Mysore has a larger population than Berar; but still, it realises only about 7½ lakhs. But this comparision should not be carried too far. The magnitude of the stamp revenue depends on a large number of factors. For instance, in Berar there are the important cotton marts in Birtish India while Mysore generally has no monopoly of any important trade. In any case, the matter is one that requires careful investigation and Mr. Wetherell's examination of the subject throws a lurid light on the present defects in the system of manufacture.

3. In this note I must confine myself exclusively to the suggestions contained on pp. 26 to 29 of Mr. Wetherell's note.

4. I entirely agree that some steps should be taken to improve the present design. As to the exact details of the steps to be taken as contained in his first suggestion, I feel I am not competent to advise; but, as far as I have been able to understand the matter, the proposals seem to be suitable.

5. The alternative suggestion made by Mr. Wetherell that Mysore should have its stamps manufactured in England, is a very acceptable one from the purely financial point of view; for, it will, no doubt, be the cheapest arrangement and at the same time we should have stamps of the most artistic design. I am afraid however, that in a matter of this kind the question of cost is not the only matter to be considered. As far as I am aware, the manufacture of stamps by Messrs. De La Rue and others in England for India, is directly under the supervision of the Store Department of the India Office and I have no doubt that, in the case of the colonies and dependencies, the colonial office must be exercising a similar supervision. In the case of a Native State in India, there is no agency in England for such supervision and my difficulty is whether we should not run serious risk in leaving the manufacture entirely in the hands of private firms in England. Mr. Wetherell has a hit at the Comptroller for the latter's refusal to allow Mysore designs to be illustrated in a public journal; but my object was to keep the nature of the Mysore design entirely within the country and not to expose our weak points by publishing the rather rough specimen we use to the world.

6. My difficulty is whether in trying to avail of the best possible designs in Europe, we do not court the possibility of forgery of our stamps by European forgers. At present, there is some chance of the stamps being forged locally; but, on any suspicion being aroused, the matter may be easily detected by careful inspection and it is wholly under the control of the Mysore Government. I may refer in this connection, to the analogous case of the counterfeiting of rupees. Some time ago there was a suspicion of Indian rupees having been manufactured in the continent of Europe and also in China. The Government of India considered that there was no possibility of stopping the manufacture, but the only measure that could be taken was to register the extent of imports of rupees from any particular country at the port of arrival in India and to locate, if possible, the place of manufacture by comparison of these imports with trade statistics. This course would, no doubt, be admitted to be very uncertain in its results; but on the other hand, the Government of India are quite able effectively to prevent any large counterfeiting in India itself, because, the setting up of machinery for such purposes can be easily discovered by the Special Police.

7. There is therefore something to be said for the improvement in our local methods of manufacture by local appliances instead of giving an opportunity to the cleverer operators of the West. I do not ignore the fact that it would be quite possible to forge the existing designs outside Mysore without fear of detection and much more easily than it would be possible to forge an improved design; but it appears to me that counterfeiting of stamps for purposes of export can only be undertaken on an extensive scale and this, under present conditions, is not possible anywhere in British India outside Mysore. I do not think also, that unless the Mysore design is too well known abroad and the stamps are actually manufactured outside India, anybody in Europe will take it into his head to counterfeit Mysore stamps.

8. I would therefore recommend the second alternative proposed by Mr. Wetherell if there is any chance of the India Office agreeing to supervise the Mysore manufacture in England in the same way that the British Indian manufacture is supervised. I am making private enquiries about the practicability of such a course and will communicate with the Government on receipt of necessary information.

9. I must add that the proposal about overprinting of stamps does not commend itself to me. This is to me more a matter of sentiment. The prerogative of a Ruler is to have his own coin and own stamps, etc. In Mysore, the current coins cannot have the State's special device and I would not give up the stamps with special design, if it is possible to retain them.

N. G. BASU.
26-7-06

The Dewan desires that the Comptroller will kindly furnish information on the points noted below:—

(1) *Re* Court-fee stamps: The Treasury accounts of sales for some years may be compared with the Courts' return of stamp realizations to see whether any appreciable variations are noticeable from year to year and whether such variations might be due to a large use of forged stamps.

(2) A similar comparison might be made regarding General stamps by comparing Treasury figures of sales with the registration returns.

(3) There seems to have been some correspondence some years back, about entrusting the manufacture of stamps to Messrs. De La Rue & Co. The papers may be sent up for perusal.

C. S. BALASUNDARAM IYER,
29-8-06.

Forwarded to Comptroller confidentially.

C. S. B.
29-8-06.

Recently I was asked by the Dewan to note on the file containing Mr. Wetherell's proposals for the future arrangements for manufacture of Mysore Government stamps. In noting on the case, I said that I was opposed to any direct arrangement between the Mysore Government and manufacturing firms in England and that the best arrangement would be to have the stamps manufactured in England through the India Office. I said also, that I was making enquiries about the practicability of the business being arranged for through the India Office.

I have now ascertained privately that it is quite practicable to arrange the matter through the Government of India. I am informed that in the case of the Kashmir Durbar, such an arrangement was made some years ago. The only condition that is imposed by the Government of India and the India Office is that the design of the stamps must be different from the designs of the Government of India stamps so as to be readily distinguishable. About this there can be no difficulty because, it is our interest that the design should be very different from that of the Government of India in order that the latter may not be used by the Mysore people.

I am confirmed in the opinion that direct negotiations with English firms are not likely to be safe, for in case of any hitch or dispute the intervention of the Government of India will have to be invoked and it is therefore, on the whole, safe to negotiate through the Government of India from the very commencement.

Messrs. De La Rue are the manufacturers of Government of India stamps. Messrs. Waterlow & Sons are, I believe, employed by the India Office for the manufacture of Government Pro-Notes. It is I think, best to have the Mysore stamps manufactured by De La Rue and when the designs are settled, we may, I think, move the Residency to arrange the matter in communication between the Government of India and the India Office.

The charges for the stamps will vary with the quantity ordered at one time, with printing with single or double fugitive ink, with the duty printed in the same or in different colour of single fugitive ink, with the number of stamps contained in each sheet and other differences. For instance, the cost of double fugitive stamps ordered 240,000 at a time would be 1s.—0¾d. per 1,000, while the cost would be 5½d. per 1,000 if 96 millions are ordered at one time. You need not, however, trouble about these details at present, for the main question to decide is how to obtain our supplies in future.

N. G. BASU,
18-8-06.

Circulated to Councillors in continuation of previous papers.

K. S. C.
18-8-06.

I have not seen the Comptroller's previous note. But, for immediate purposes it is worthy of consideration whether the British India stamps may not themselves be adopted with something stamped across to denote that the stamps are for Mysore State revenue.

T. ANANDA RAO,
4-9-06.

Mr. Basu says in his memo above, that an essential condition imposed by the Government of India and the India Office is that the design of the stamps for Native States must be different from those of Government of India stamps so as to be readily distinguishable.

If we are to get our stamps made in England, the best course is, as advised by the Comptroller, to arrange for this through the India Office.

K. P. PUTTANNA CHETTY.
5-9-06.

Dewan.

K. S. C.
6-9-06.

Mr. Wetherell first gives a history of the arrangements made from 1872, to obtain supplies of stamps of different descriptions required for use and points out the defects in such arrangements. On page 18 of his report he summarises the possible sources of danger and opportunities for fraud on the stamp revenue and they are the following :—

(1) The plates used for printing the first issue of Court-fee and Transfer stamps are missing.

(2) All adhesive stamps are now printed in one colour; and this arrangement gives an opportunity for substitution of the 'value label' of a high value used stamp on an unused stamp of lower value.

(3) There was, for a period of four years, no "tell-tale" on the printing machine.

(4) There are many varieties of each Mysore stamp, since the plates are composed of single dies fixed together or separately engraved on the plate, which makes detection of a forgery a very long and difficult operation.

(5) The present dies are of brass, which is a soft metal and wears out easily and requires recutting or retouching, giving rise thereby to many other varieties. All dies should be of hardened steel.

(6) The designs are rough and poorly executed and could therefore be easily imitated.

(7) The higher values are printed from still more inferior dies which have been recut and retouched on several occasions and it would be practically impossible to identify forgeries by comparison.

(8) Wholesale destructions of stamps have taken place from time to time and it is possible that some intended for destruction may have leaked out.

(9) No obsolete Mysore stamp has been demonetized and hence Government cannot legally refuse a refund on unused stamps; and, with missing plates in existence, Government might be asked to refund on reprinted stamps.

(10) As the plates are composed of a number of separately engraved dies, similar dies may be manufactured by the engraver who makes the dies for Government or by other engravers, and forged stamps produced from such dies. Dies are ordered from time to time and no arrangements are made for getting them made under proper supervision.

(11) Want of proper scrutiny of stamp registers. Mr. Wetherell states that he "found an entry in a register in which two sheets of each value have been mentioned but the value has been expressed as if they were two labels; hence Government has been defrauded of 58 labels of each value ranging from one-anna to six rupees (a total of over Rs. 1,000)."

(12) The public do not cancel Receipt stamps when using them and dishonest persons could use the stamps over again.

(13) The use of British Indian Receipt stamps in place of Mysore stamps.

No. 1. A searching enquiry should be made to trace out the missing plates.

No. 3. Whether in the absence of a "tell-tale" any fraud was perpetrated in the manufacture of stamps cannot be found out, unless some specific case of a forged stamp is actually discovered. There is now a "tell-tale" and No. 3 was therefore once a loophole for fraud, if any was committed at all.

No. 8. This also relates to the past and whether any stamps which should have been destroyed were actually abstracted and used cannot be found out.

No. 9. The Stamp Commissioner may be asked to report in detail what are all the obsolete stamps and it may be declared that such stamps are not valid and should not be used. All of them must have been superseded long ago and it is unlikely that any of them are now in use. Nor can there be any claims for refund under the Stamp Law, considering the time that has elapsed since their supersession.

No. 11. A full report on this point may be called for from the Stamp Commissioner and he may be asked to explain how the mistake was made and how it resulted in the loss mentioned by Mr. Wetherell.

No. 12. Under the rules, Receipt stamps have to be cancelled when they are used and this is one of the points to be looked into at the time of inspection of records for which arrangements are made in Government Order No. Fl. 9083—125 Dated 8th June 1907.

No. 13. The British one-anna stamps cannot be used in Mysore and the receipts which bear such stamps are invalid. The public are expected to be aware of this and it does not seem possible to provide any arrangement for detecting the use of the Britsh one-anna stamp. It would be used only in ignorance of the provision of law and the loss arising from a few cases of such use would not be much.

Nos. (2), (4), (5), (6), (7) and (10) are grave defects as explained by Mr. Wetherell and early action has to be taken to remedy them. Mr. Wetherell makes two alternative suggestions :—

(1) The continuance of the present arrangement of manufacturing the stamps locally, subject however, to the following conditions :—

(*a*) that the plates should be made in England, of an entirely new type and manufactured from a single die,

(*b*) that printing of the stamps should be under the supervision of a responsible officer always present. In the preliminary note, Mr. Wetherell proposed that no printing should be allowed except under the personal control and examination of the head of the manufactory and of another, as one man cannot have his eyes on everything at once.

(*c*) that the "tell-tale" should be invariably attached to the machine (a spare "tell-tale" be purchased and kept in stock, ready to replace the one in use if it should get damaged),

(*d*) that the plates should be obtained direct from one of the great firms, such as, De La Rue, Waterlow, Bradbury-Wilkinson, in England, or the American Bank Note Company in the United States,

(*e*) A separate distinctive colour should be used for each value and the design should be of a sufficiently elaborate pattern and of delicate workmanship.

(*f*) No stamps should ever be printed on more than one kind of paper; otherwise, paper is no guide in detecting forgery (preliminary note).

(*g*) The stock in the hands of stamp vendors should be examined frequently without previous notice (preliminary note).

(*h*) No paper of any sort or kind should be allowed inside the printing room except the counted sheets which are going to be impressed (preliminary note).

(*i*) Where single dies are used, as in the case of high value 'General stamps,' they should be of hardened steel instead of brass or gun metal which wears out very soon (preliminary note).

(*j*) The perforating machine should be kept in good order and should be 'guided' (preliminary note).

or,

(2) The local manufacture of stamps may be abolished and arrangements made for getting the required stamps printed at home.

Which of the above alternatives should be adopted is the main point for consideration.

Mr. Basu considered the second alternative to be acceptable from the purely financial point of view and recommended its adoption, provided the India Office agreed "to supervise the Mysore manufacture in England in the same way that the British Indian manufacture is supervised." In his later note dated 18th August 1906, Mr. Basu stated that he had "ascertained privately that it would be practicable to arrange the matter through the Government of India." The exact cost of obtaining the supply of stamps under this arrangement, can be found out only after the design, paper, quantity of stamps that would be ordered at one time, etc., are settled. If the first alternative is to be adopted, the precautions prescribed by Mr. Wetherell have to be taken and the plates should be obtained from England and the design and colour of each description of stamps, settled.

As regards the falling off in the stamp revenue, Mr. Wetherell's report deals with only the loopholes for fraud in the existing arrangement, and whether the decline is really due to any fraud actually perpetrated, has not been found out; and Mr. Rangaswami Iyengar has examined the matter and arrived at the conclusion that the decrease is accounted for otherwise than by the supposition of the existence of illicit manufacture of stamps.*

Whether the falling off is due to any fraud or not, the fact that the existing system affords scope for fraud is recognized by all the authorities that have been consulted, and the adoption of either of Mr. Wetherell's suggestions to prevent fraud on the stamp revenue is the point for orders.

M. N. KRISHNA RAO,
5-12-08.

---

* Mr. Rangaswamy Iyengar's note is printed at the end of the correspondence.

CORRESPONDENCE.

(1) *Mr. Wetherell's letter to Mr. Madhava Rao, dated 20th May 1906.*

With reference to Government Proceedings No. Fl. 7166-211,—Gen. Fin. 280-05-36, dated 30 April 1906, regarding the increase in the normal expenditure of the State, incommensurate with the expansion of the revenue, and the indispensable necessity for a through examination into the possibilities of improvement of revenue, I have the honour to call your kind attention to the following very important fact :—

The revenue derivable from the various stamp duties of the State—Court-fee, Share Transfer, General, Receipt and Bills has fallen off; yet litigation and business have not fallen off. In a private letter which I addressed to Sir P. N. Krishna Murti on the subject, I pointed out the extreme danger which exists in consequence of the fact, among 18 others, that the whereabouts of certain plates used for printing Mysore stamp was unknown, that Mysore Court-fee paper was procurable in the bazaar, that there had been several destructions of stamps, that there was an unused die for the Receipt stamps (only 64 being used out of 65 made), etc., etc.

I think you will see that here is one very important reason why there is not a commensurate increase in revenue in the State, and if Government are pleased to ask me to enquire into the matter in detail, I shall be most happy to do so and I feel perfectly certain that my report will be of considerable use to Government.

(2) *Mr. Madhava Rao's reply to Mr. Wetherell's letter, dated 21st May 1906.*

I thank you sincerly for your letter of the 20th instant in regard to the fall that has taken place in the stamp revenue of the State, and your kind offer to investigate the causes of the fall. As Vice-President of the Philatelic Society you have exceptional facilities for conducting an enquiry of this nature, and Government will be thankful to you if you can discover the true causes of the decrease, and suggest remedies for preventing the illicit manufacture of stamps that has apparently been going on, on a large scale. I have instructed the Secretary to place one of the clerks that has been treated as supernumerary at your disposal.

(3) *Preliminary Note of Mr. Wetherell, on the Fall in the Stamp Revenue of the State.*

(i) In place of a gradually increasing stamp revenue, there has been a very marked falling off during the last four years and I have carefully sought out all the causes which tended to produce this abnormal condition.

(ii) To do this it was necessary to find out what stamps were (or had been) in use during the time, and to investigate the method of production and supervision.

(iii) The stamps fall under two main heads.

(*a*) adhesive labels.

(*b*) stamped papers.

(iv) The adhesive labels have been used for the following purposes :—

"Foreign Bill"
"Receipt"
"Receipt Bill or Draft"
"Court-fees or Judicial"
"Applications"
"Notarial"
"Share Transfer"

and there is a stamp catalogued in English lists described as Chancery Fee Fund. This is not on record in the registers of the department.

(v) The stamps from 1872 to 1874 were printed from plates of 30 dies, manufactured in Madras, printed in Madras, and supplied to the Superintendent of Stamps, Mysore. They were of very poor design and showed 30 slightly different designs. From 1874 to 1887 the stamps were those of British India overprinted with the word "Mysore." From 1887 native designs have again been in use, at first printed in Madras; but, in recent years, they were printed in the Stamp Manufactory, Bangalore.

(vi) It is not necessary in this preliminary report to make any mention of the British Indian stamps overprinted "Mysore."

(vii) I will now mention the many reasons why the methods employed are so extremely unsatisfactory that it is not so surprising that the revenue has dropped from 8 lakhs to 7 lakhs as that there ever was an 8 lakh revenue.

(*a*) The old plates consisted of 30 dies fastened together. Each of these dies was separately engraved and therefore differed somewhat from the others. The engraver, or any other engraver, could easily make other dies which only a trained expert in engraving could recognise, after careful comparison, not with *one* other die but with 30 others. Considering that the values of these stamps ranged up to Rs. 3,000 per sheet, a great temptation existed for imitating them, and when one is aware that the beautifully engraved Rs. 100 stamp of British India has been forged, there is no reason to suppose that the Mysore stamp which is much easier to imitate successfully (for the reasons given above) than the Indian, should have escaped.

(*b*) The labels of this (1872) first issue of Court-fee stamps were printed to the number of 7,60,290, of which 4,08,841 were used and 3,51,449, were destroyed. The destruction of such quantities is a very difficult matter and requires most careful supervision; for, even in England stamps have been stolen during destruction. Yet the registers merely contain the statement "Destroyed in my presence" followed by an initial, and no details.

(*c*) In the case of Receipt stamps, the present design was issued first in sheets of 30, then of 63 and 21 and then of 64.

There have been two sets of dies numbering 65. As there were only 64 dies employed on the sheet and I possessed 65 varieties, all watermarked, it was clear that one of the original dies had been superseded. This I was so positive of, that it was sought for and found. Yet its existence was seemingly unknown before.

(*d*) The plates used for printing the Transfer and Receipt Bill and Draft stamps have not been located. They are not in the Stamp Manufactory nor in the Treasury. Yet the former stamps are *still current*.

(*e*) For some reason, all the stamps from one-anna to six rupees are printed in the same colour—a very dangerous practice, since it would be easy for the class of stamp "fakers" who alter stamps to take the value label of a used six-rupee stamp and carefully patch it with an unused one-anna stamp; and as the colours are the same, and as "mending" is an art which stamp forgers have carried to a state of perfection only a trained eye would detect the fraud.

(*f*) Most of the stamps are watermarked and it is claimed that that is a great protection. It is a mistake. Stamp fakers (of whom unfortunately committee men of philatelic societies have constant experience, and in showing up of whom we take a considerable amount of pride) are very expert in adding a watermark. Watermarks are only an additional difficulty to the forger and not a preventive.

(*g*) Not only were many of these stamps issued watermarked, but in earlier days, they were issued on unwatermarked paper. Hence the presence of a watermark is not a safe criterion.

(*h*) The stamp vendors are a poor class. In England it has occurred that a stamp vending clerk in the Stock Exchange Telegraph Office was in the habit of bringing large supplies of forged one shilling stamps to the office. When a person wished to send a telegram, he paid his shilling

and the clerk then stuck one of his forged stamps on to the telegraph form and placed the shilling in the till, but took one of the genuine stamps in place of the forgery he had provided. At the end of a day the accounts were correct, but the clerk possessed a hundred or more *genuine* one shilling stamps which he could sell back to Government without fear of detection, in place of an equal number of worthless pieces of green paper which were stuck on telegraph forms and immediately heavily postmarked. There is nothing to prevent a similar unscrupulousness among the stamp vendors here. I do not suggest that there is, but it is one of the sources of danger.

(*i*) Each time a stamp is printed, so many thousand sheets are struck off, and each time, the colour is mixed for the purpose; but the colours of no two printings are the same as there is (or was) no recipe for mixing the colours. Consequently there are all shades from pale yellow to orange red—a fact which makes forgery much easier since the forger has not to trouble about getting his colours to any particular shade.

(*j*) One of the easiest methods employed by experts to detect forged stamps is by the perforation. In the case of the stamps of Holland which I have studied very carefully, I have found out without any reference to the authorities, that there were seven machines used even when the gauge was the same. It is a matter of practice only. Now, the perforations on the Mysore stamps are so extremely rough that the holes are often "blind," that is to say, no paper is removed. At other times, they are clean cut. The forger, therefore, has not to trouble about the class of his perforation.

(*k*) In the case of the British Indian stamp, the forger has to imitate the design exactly, which is impossible :

The colour	....	difficult
The perforation	....	very ,,
The watermark	....	fairly ,,

In the case of the Mysore stamp, it is quite sufficient if he imitates the general design (as there are 65 varieties, he can ignore details); he need not trouble about perforation, watermark or colour.

(*l*) With regard to stamp papers, they were all printed in Madras until the formation of the manufactory in Bangalore. Dies range from one-anna to Rs. 20,000. They are extraordinarily badly engraved and in some cases I have seen prints from them which consisted of an irregular oval smudge of yellow with four spots of blue. Practically nothing could be seen of the design. Yet these dies run up to Rs. 20,000. It has been argued that even if one were forged, the forger could make no use of it and that the watermark is a protection. A watermark *can* be imitated and the design could be imitated easily, and persons unscrupulous enough to make forged dies will have friends unscrupulous enough to sell them.

(*m*) It is of frequent occurence to find Receipt stamps unobliterated when used. There is nothing to prevent these stamps from being used over again. I have seen a six-rupee Court-fee stamp without an obliteration. I have seen one; there are, probably, thousands and each could be used again without detection.

(*n*) The most important of all the reasons is that the "tell-tale" on the printing machine has been missing for several years and at last a new one costing Rs. 50 was purchased. During the interval there was no check on the work of the machine. It has been argued that no one but those in charge could use the machine illicitly. Yet it is known that examination papers have been "taken" under the very eyes of the printers by the simple method of leaning against the machine with a piece of paper against the side. The impress (in the case of stamps) would be bad; but if two or three stamps of Rs. 100 came out even poorly, they would be *genuine* stamps which no one could detect; but they would be none the less a fraud on the Government.

(o) I have found one error in entry by which Government lost the value of 58 labels of each value from one-anna to Rs. 6, a total of about Rs. 1,000.

(viii) I may summarise the dangers and suggest means of eradicating them.

(1) No printing of stamps (which are a form of paper money) should be allowed without a "tell-tale" on the machine; *i. e.*, there should always be a spare "tell-tale."

(2) No printing should be allowed except under the personal control and examination of the head of the manufactory and of another officer, as one man cannot have his eyes on everything at once.

(3) No stamps should ever be printed on more than one kind of paper; otherwise paper is no guide in detecting forgery.

(4) Stamps should be printed from plates consisting of X number of cliches hammered from one die and on no account should two dies (far less 65) of any stamp. In England the plates consist of 240, 120, 80, or 60 cliches and every stamp is absolutely identical—as they *must be*—having been impressed on soft steel from a *single hard* steel die.

(5) It is a fatal mistake to have all the values of one colour, as it makes "faking" easier.

(6) A watermark should never be regarded as a final protection. It should be looked upon merely as an *additional* deterrent to a forger.

(7) The stock in the hands of stamp vendors should be unexpectedly examined very carefully every now and then.

(8) No paper of any sort or kind should be allowed inside the printing room except the counted sheets which are going to be impressed.

(9) Where single dies are used, such as in the case of the high value "General" stamps, they should be of hardened steel instead of brass or gun metal which wear very quickly.

(10) The elaborate system of registration appears to give unnecessary trouble without being (as shown by my note P) perfect.

(11) The perforating machine should be kept in good order, and should be "guided."

(12) There is no necessity to burn stocks of half-a-million stamps merely because a new design has come in. They have cost a considerable amount of money for printing, paper, pigment, carriage, entries, etc., to say nothing of the chance of some escaping destruction. And finally, all stamps should be of such fineness of design that forgeries would be detected at a glance.

SUGGESTIONS.

(ix) The cost of manufacture and the dangers which I have shown to exist would all be obviated if the Mysore Durbar followed the lead of British India and had their stamps made in England. The Indian Government (like that of Great Britain, Hongkong, Straits, Sarawak, Ceylon, Seycheiles, Egypt, Soudan, British East Africa, Uganda, British Somaliland, Lagos, Mauritius, Trinidad, Barbados, Jamaica, Bermuda, Grenada, Fiji, Antigua, Nigeria, etc., etc.,) have all their stamps printed by Messrs. De La Rue & Co., Ltd., Government Printers, London. A few such as Sirmoor (Court-fee) and Bhavnugar go to Perkins, Bacon, or Waterlow and a few minor countries and states employ Messrs. Bradbury-Wilkinson. If all these countries find it better to go to Messrs. De La Rue, it means either, that it is cheaper, or that it is safer, or both.

(x) The only way by which the stamp revenue can be brought to its normal value which is, I should say, quite 8 lakhs would be to have *adhesive* stamps for all values up to Rs. 1,000 and have them all of the same design so that they could be printed from key plates, but in different colours. This would mean the expense of one die and the manufacture therefrom of one plate of 64 labels which would print all values. The values would be inserted not at a separate printing, but by the key plate method, and they are, of course, movable.

(xi) By this means the stamps, if manufactured at home, would be under perfect supervision. The supply would be regular, the Government would be saved the expense of a Stamp Department, and the cost of importing special paper. There would be little fear of forgery and none at all of illicit manufacture of genuine stamps. I will give details in my final report.

(4) *Report of Mr. E. W. Wetherell on an Enquiry into the Decline of the Stamp Revenue in Mysore.*

As the amount of material is considerable it is better not to overload the report by the inclusion therein of various statistics, references, etc. These have therefore been taken out of the body of the report and have been added as Notes, Appendices and Exhibits.

Since a considerable part of the subject is extremely technical, it is necessary to commence with a brief history and a short description of the stamps themselves and of the methods employed for their manufacture, before certain important points can be made clear.

The stamps in use in the State now, or at various times since 1865, are (or have been) either adhesive labels printed from plates composed of a number of *different* dies fastened together (or in some cases, of dies separately engraved on one plate), or are Government of India stamps overprinted with the word "Mysore," or are stamped-papers.

The adhesives stamps may be considered first.

Separate adhesive stamps have been used for "Court-fees", "Receipt Bill or Draft"; "Foreign Bill"; "Receipt"; "Transfer" and "Application"; and for Notarial purposes the Court-fee Re. 1 stamp has been overprinted with the word "Notarial."

(1) COURT-FEES.

(i) In 1872 adhesive stamps were required for Court-fee purposes, and plates of 30 dies were manufactured in Madras, and consignments of stamps printed therefrom were received at various times (*vide* Appendix 1).

(ii) In 1874 the remainders of these stamps were recalled from District Treasuries and *destroyed*, and their place was taken by the Government of India Court-fee stamps, with the name "Mysore" printed on the face of each stamp. These latter stamps were in use until 1883 (*vide* Appendix 2), when a new scheme was brought in by the Government of India, whereby adhesive labels were employed only for amounts of Rs. 6 and under, while for all higher values stamped paper was employed (*vide* Appendix 5).

(iii) In 1883 a new series of stamps (*vide* Appendix 3) ranging from one-anna to Rs. 6 was produced of a more elaborate design (*vide* Note to Appendix 3) and these were also overprinted "Mysore".

(iv) In 1886 a new design was made for Mysore, and stamps of the same values as the previous series were printed; the plate consisted of 18 separate engravings (*vide* Appendix 4).

(v) In 1894 the manufactory was transferred to Bangalore and the plates were sent up from Madras.

The first point to notice is that, in the case of the special Mysore issues, *i.e.*, 1872 and 1886, there are varieties on the plate, (*vide* sheets in Appendix 16), *i.e.*, the plate is composed of a number of *separately engraved dies*; consequently, each stamp on the printed sheet shows some slight variation in the details of the design. This is not the case in British Indian stamps, which are not printed direct from the dies, but by the following process:—*One* die is made and is then hammered on to a "roller" of soft steel. This is hardened, and is then transferred to a large plate of soft steel, which also is subsequently hardened and printed from. As there is only one die, it is clear that every stamp on the sheet is absolutely identical. (*vide* Note 1).

When forgery is suspected, it is a simple matter to compare the doubtful stamp with the genuine one, and if there is a slight variation it is proof positive that forgery has taken place; but in the case of the Mysore stamps, comparison has to be made with *every one* of the stamps on the sheet, and as the differences are usually slight it would be a matter of considerable difficulty to detect a fraud.

When every stamp on a sheet is identical, such as in the case of Rs. 100 British India Court-fee stamp, it was easy for the authorities to detect the celebrated Lucknow Forgery, (*vide* Note 6); but had there been varieties on the sheet, the difficulty would have been enormously increased. The Mysore Court-fee stamps are of a much rougher design than those of the Government of India (printed by Messrs. De La Rue & Co., *vide* Appendices 14 and 15) and could be forged much more easily, and as above mentioned, detection by comparison is much more difficult. If then there have been forgeries of the Government of India elaborate Rs. 100 stamps, it is highly probable that the much more easily forged Mysore stamp has also been imitated; and if there are people dishonest enough to forge stamps in other countries, there is no reason why Mysore should be immune from the visitations of these gentry; and if there are *forgers*, there would be no difficulty in finding people dishonest enough to *vend* the stamps (*vide* Note 3). I think that it is extremely improbable that a forger who is skilled enough to imitate a beautifully designed and printed British Indian stamp and defraud Government of Rs. 60,000 (as was the case at Lucknow), would have left the easily forged Mysore stamp alone; and if he could forge De La Rue's watermark, there is nothing to prevent him from doing the same to the Mysore watermark; and I must here emphasise the fact that watermarks are not the infallible protection which they are supposed to be; they are merely an additional safeguard and an additional pitfall for the forger.

The above note will show the danger of using plates composed of separate dies, and of utilizing a design poorly executed and roughly printed. But this is by no means the only opportunity which unscrupulous people could employ to defraud Government in connection with Court-fee stamps since another danger exists, *i. e.*, all the stamps are printed in the *same* colour (orange) and in all cases the design is the same (except for the minute variations on the plate) and only the value tablet differs. There is nothing therefore to prevent a dishonest person from taking a *used* Rs. 6 stamp and cutting out the value tablet, and "mending" it with an *unused* one-anna stamp. This "mending" is called "faking" in Philatelic parlance, and is frequently resorted to by swindlers in the case of the high value postage stamps of several countries. This will, I think, show the danger of printing all the values in the same design, and in the same colour. The above reasons would appear sufficient sources of danger, but they pale into *absolute insignificance* compared with the two following facts, (1) that it is not known where the plates used for printing the first issue are located, and (2) that for actually *four years* stamps were printed almost daily with no "tell-tale" attached to the printing machine—an oversight which I think must be unique in the history of stamp manufacture. When the "tell-tale" (which records the number of descents of the plate) requires repairs a spare "tell-tale" should take its place. It costs about Rs. 50 and yet sanction was not given for the purchase of a second, and the first appears to have actually taken four years to repair!

Of course, it might be urged that it would be impossible for a dishonest person to insert a piece of paper into the machine unseen, yet one constantly hears of examination papers which have "got out" from various printers. Why then should not a sheet of Mysore Rs. 6 stamps share the same fate? It may also be urged that there is always a responsible official in charge. But I may point out that on a certain occasion on the Kolar Gold Fields, a box containing gold was stolen and another similar box containing lead and iron was substituted for it, and this was done under the very eyes of a responsible officer of the Mine.

It is certain that one or even two officials cannot have their eyes everywhere, and even if the machine is double locked during the absence of the responsible official, there are such things as duplicate keys, and then, when the "tell-tale" ought to be doing its work, there is no "tell-tale" to do it. Again, it might be said that the watermarked paper could not be obtained for dishonest printing. I have already pointed out that watermarks are only additional safeguards, and not infallible protections; for when watermarked stamps are stuck upon *thick* paper it becomes very difficult to distinguish the watermark and the general public never take the trouble to look at a watermark, and would not know anything about it, if they did. I do not, of course, suggest that such things have happened; I merely point them out as sources of *grave* danger.

As far as the missing plates are concerned, it is true that they are of obsolete stamps, but it is as well that Government should know where its plates are; for reprints of stamps could be made and "discovered" as a "find" of unused stamps and Government might even be asked to refund for them, *because they are obsolete.* Under any circumstances there is no reason that plates should be lying about in unknown places; it would be more satisfactory to have them under lock and key at the Stamp Manufactory.

As already mentioned, the present system employs adhesive stamps to the value of only Rs. 6, and for sums of Rs. 7 and upward stamped paper is used. This consists of a large sheet of watermarked paper at the top of which a bi-coloured stamp is impressed. It is a matter of great surprise to me that these higher value stamps are of even *rougher* workmanship than that of the adhesive stamps (*vide* Appendix 16)—prints occur in which the design consists of an almost indistinguishable yellow smudge with four blue circles—they are so indistinct that any forger could imitate them with the greatest ease, and yet these stamps have, at different times, run to Rs. 20,000 dies. The pigment used varies enormously as will be seen when comparing the stamps.

I have already pointed out reasons why the adhesive stamps are dangerous; but even if they were forged or "faked" extensively, the total amount compared with that of the high value stamped paper would be comparatively trivial and as before mentioned, the watermark is not a sure protection, especially as at least two totally different watermarks are in use and two totally distinct qualities of paper (*vide* Appendix 16).

The small State of Sirmoor is so careful over its stamped paper that it uses extremely elaborate designs beautifully printed in *taille douce* by Messrs. Waterlow in England; and, if Simoor finds it necessary, how much more necessary is it in a State like Mysore, where the annual revenue from stamps exceeds seven lakhs.

When high value Court-fee stamps are required they are obtained by taking stamped papers, and using a violet hand-stamp of primitive type, (*vide* Appendix 17) and stamping it in the right upper corner, and by impressing a black oval control stamp lettered "Court-fee" in place of "General Stamp" in the bottom right-hand corner; in other words, the current high value Court-fee stamps have, for 20 years, been *provisionals, i.e.*, make-shifts.

(ii) Receipt Stamps.

I now come to the subject of the Receipt stamps. The Court-fees have shown some of the dangers, but the Receipt stamps show even more.

The present design was first printed in Madras, and supplied in sheets of 30 labels differing among themselves.

Soon after the manufactory was transferred to Bangalore, the stamps were printed in two kinds of sheets: "A" sheets of 50 labels and "B" sheets of 21 labels, and later, in single sheets of 63 labels, and finally, in sheets of 64 labels in 8 rows of 8. To get this larger number it was necessary to indent for 34 new dies but 35 were ordered, and these new 35 dies together with 29 of the old dies were put together haphazard to form the new plate, and one old die was removed. This fact I discovered by having 65-varieties in my collection; yet, knowing that there were only 64 dies on the plate my suspicions were aroused. The missing die was searched for and finally found, although its existence was doubted by the late Comptroller, until I proved to him that 65 varieties of the stamps were in existence.

The points brought out in connection with Receipt stamps are briefly these:—Five different sizes of sheets have been issued—a record which is unrivalled among either postal or revenue stamps anywhere in the world.

The watermark of these *Receipt* stamps was for many years "Mysore Court-fees 1898." They were not Court-fees, and the date was not always 1898. In other words, the watermark was absolutely meaningless.

The colour was supposed to be orange, but no recipe was kept for mixing the colour, with the result that varieties exist from pale yellow to reddish brown, and therefore the *shade* which is often of great use for the recognition of forgeries is of no value whatever.

(iii) Foreign Bill, Transfer and Bill and Draft Stamps.

Court-fee, Receipt labels, and General stamped papers are the only classes now printed at the Stamp Manufactory, but "Transfer" and "Foreign Bill" stamps are still current.

The Foreign Bill stamps, being Government of India labels overprinted "Mysore," are perfectly safe and require no notice here, except that I may mention that statistics are not obtainable, as one of the *registers has been lost*—a fact which might have been serious; but the Transfer stamp plates are *missing*, which is not safe when the stamps are *still current*; since, if the plates are in wrong hands, illegal reprints can be made, and refunds, etc., claimed on them. If a "tell-tale" can mysteriously disappear for four years, certain plates might do the same. Enquiries should be made as to where these plates are, and also about those of the obsolete Bill and Draft stamps which are also missing. [As the first register is missing, I am not able to give statistics of these stamps.]

(iv) Destruction of Stamps.

There is yet one other source of danger. In 1874 over *half-a-million* stamps were destroyed. The entries in the registers merely say "Destroyed in my presence," followed by an initial. In such cases (as the entries are of great importance) the full name should have been given, and the method of destruction mentioned. It is not an easy matter to destroy half-a-million stamps, and it would require extraordinary supervision to prevent some sheets from being stolen.

That this is not mere theorising is proved by the following facts in connection with the wholesale destruction of telegraph stamps in England. All telegraph forms are burnt after a certain number of years; yet, it is easy to obtain a good many of the stamps as they are frequently met with in stamp dealers' stocks. These have been stolen, yet the destructions were made under careful supervision. If some of these condemned stamps can leak out in England, there is nothing to prevent their leakage in Mysore.

(v) Stamped Papers.

Having touched upon some of the comparatively minor dangers such as the missing of plates (of stamps still current), of the lack of a "tell-tale," and the multiplicity of varieties, I now come to the consideration of the stamped papers. Herein, I believe, lurks the gravest danger, and as this seems to me to be the branch most in need of care, I am obliged to go into considerable detail and give a few facts in the history of these stamps.

In the year 1865 it was decided to use stamped papers for all purposes (there being no adhesive stamps) and an indent for enormous quantities of all the values current in British India was sent to the Mint Master, Madras (*vide* Appendix 20). These stamped papers received the word "Mysore" as an overprint to distinguish them from the British Indian papers.

In 1869 certain other values were made in British India, and Mysore indented for fairly large supplies of these new odd or high values.

In December 1869, 20 papers of each of the following unusual values were received from Madras:—

Rs. 102, Rs. 105, Rs. 108, Rs. 110, Rs. 112½, Rs. 114, Rs. 115, Rs. 120, Rs. 130, Rs. 135, Rs. 140, Rs. 145, Rs. 155, Rs. 160, Rs. 162½, Rs. 165, Rs. 170, Rs. 180, Rs. 185, Rs. 187½, Rs. 190, Rs. 192, Rs. 212½, Rs. 225, Rs. 237½, Rs. 262½, Rs. 275, Rs. 287½, Rs. 312½, Rs. 325, Rs. 337½, Rs. 362½, Rs. 375, Rs. 387½, Rs. 425, Rs. 437½, Rs. 450, Rs. 462, Rs. 475, Rs. 487½, Rs. 512½, Rs. 525, Rs. 537½, Rs. 550, Rs. 562½, Rs. 625, Rs. 775, Rs. 850, Rs. 925, Rs. 1,075, Rs. 1,150, Rs. 1,225, Rs. 1,300, Rs. 1,375, Rs. 1,450, Rs. 1,525, Rs. 1,600 and Rs. 1,675.

On the 16th of June 1870 (although not one of these values had been required), a further supply of 500 of each value was received, and by the 17th of October 1874, only one or two of the higher values, and a few more of the lower values had been used and the residue was *sent back to Madras* to be overprinted with the new Mysore bi-coloured stamp.

In other words, the Mysore Durbar had to pay for the paper and the stamping of 30,000 rolls, and the rail charges from Madras, clerk's time for checking, rail charge on consignments of these papers to the eight districts, return rail charges when they were re-called, rail charges back to Madras, fees for re-stamping, return rail charges from Madras, rail charges out to the eight districts again, and clerk's time for checking at each operation—all for the sake of obtaining a mass of paper which was practically useless. If 50 had been indented for instead of 500 for the values between Rs. 102 and Rs. 500, and ten for the higher values, that would have been more than sufficient.

With reference to these high value stamps, they had to be taken into consideration every time the register was balanced and they had to be counted at each inspection and the amount of perfectly unnecessary work that this entailed must have been very great, and the pages of the registers were for many years encumbered with details of stamps which were never used. I may also add the remarkable fact that, when the papers were sent back to Madras to be impressed with new bi-coloured stamps, no mention is made as to what values should be impressed. Under ordinary circumstances, one would expect that a paper of, say Rs. 102, would have a new Rs. 102 stamp impressed upon it; but, as values above Rs. 100 disappear from the registers after the return of the high value papers to Madras, it would appear that the original value was obliterate and a new value impressed; in other words, the Government was sending thousands of sheets to Madras and these sheets were practically waste paper and the sheets returned from Madras as new Mysore stamped paper were provisionals.

I might also mention that no sample specimens were ever kept for reference and comparison, either of stamped papers, or of adhesive stamps, and at the present time if obsolete stamps turned up and Government was asked to refund on them, there would be no standard to compare them with. This is an oversight of a very serious nature and might result in great frauds on Government, as it would not be possible to identify a forgery or a reprint when there is no genuine original to compare with it. A still more curious fact is that in some cases, more sheets of certain values appear to have been returned to Madras than had ever been received. Obviously therefore, the register is at fault and, if the register is at fault in this particular case, it may be equally (or more) faulty in others. I have already pointed out an error of over Rs. 1,000 in the case of Transfer stamps (*vide infra* page 20,* art. 11).

Two sets of dies for printing the bi-colour stamps exist—one old and worn and the other still in use—worn, but still more or less serviceable, and a third series made of steel instead of brass is now coming into use.

In the case of the lowest values, three impressions from three separate dies of the same value are struck on one sheet of watermarked paper. The marked difference in the dies is well illustrated in the case of the six-anna stamp, where the lettering is half as large again on one stamp as it is on the others (*vide* Appendix 17, page 42).

If the stamped papers be examined, it will be noticed that there is great diversity of colour, and therefore "shade" is of no value (as it should be) as a means of identification of forgeries. It will also be noticed that in many cases the design is very indistinct. I have seen even more indistinct impressions than those supplied for inclusion in this report, and such terribly poor productions could be forged without any trouble.

Again, it will be noticed that two different watermarks appear and that there are two very distinct qualities of paper. What use then, is a watermark? Since in the first place very few people ever look at a watermark, and as there are two different ones, the public would not trouble if a vender sold them one with another watermark (some illicit print), for, as I have already stated, there are such people as forgers and vendors of forgeries.

In connection with the registers of these stamps, I find a surprising number of entries of stamps destroyed, corrections for wrong subtractions, and additions, and entries such as "found in excess 50 rolls," "deficient 494 rolls," "destroyed as having no stamp impressed," "taken out of stock as irretrievably damaged." All

* Page 16 of this printed collection.

such entries prove a certain amount of carelessness in entering the figures, or to carelessness in the treatment of the papers, and I have on one occasion seen a mass of Transfer labels returned from a District Treasury stuck together, soiled and damaged by white ants.

(vi) Sources of danger.

I will now summarise the sources of danger and the opportunities of fraud.

1. The plates used for printing the first issue of Court-fee and Transfer stamps are missing. None of the officials connected with the Stamp Office know their whereabouts.

2. All adhesive stamps are now printed in one colour, which gives an opportunity for substitution of the "value label," of a high value used stamp on an unused stamp of lower value.

3. There was for a period of four years no "tell-tale" on the printing machine.

4. There are many varieties of each Mysore stamp, since the plates are composed of single dies fixed together or separately engraved on the plate, which makes detection of a forgery a very long and difficult operation.

5. The dies are of brass, which is a soft metal and wears easily, and requires re-cutting or retouching, giving rise thereby to many other varieties, increasing the difficulty still more. All dies used for printing stamps should be of hardened steel.

6. The designs are rough and poorly executed, and could therefore be easily imitated.

7. The higher values are printed from still more inferior dies, which have been recut or retouched on several occasions, and it would be practically impossible to identify forgeries by comparison.

8. Wholesale destructions of stamps have taken place from time to time. As stamps have leaked out from similar destructions in *other* countries, there is no reason to suppose that some have not leaked out in *Mysore*. There is no obvious reason to suppose that dishonesty of this sort is confined to England.

9. As far as I can ascertain, no Mysore stamp has been demonetized when it becomes obsolete, as is usually the case in other countries. Hence, Government cannot, I believe, legally refuse a refund on unused stamps; and with missing plates in existence, Government might be asked to refund on reprinted stamps.

10. When an engraver is employed to manufacture 30 or more dies as nearly alike as possible, there is nothing to prevent him from making 30 *more*, and as they will all be imitations of the first drawing it would be a matter of great difficulty to differentiate between the 30 which he kept in his own house and those which he handed to Government. The public seems to be quite unaware that there are any differences at all, although to any one interested in stamps the differences are easily detected. A printing press suitable for striking off sheets, would not be a costly matter, and hundreds of thousands of illicit stamps could thus be made. I do not, of course, suggest that such has been done, but point it out as a very possible source of danger. It is not even necessary that the original engraver should do this. Any engraver could produce dies for the manufacture of all current Mysore stamps; and it would require expert examination to detect them. In this connection I should mention that dies are ordered from time to time, and as far as I can see, no arrangements are made that the dies should be engraved under proper supervision.

11. There is yet another danger. I have found an entry in a register [in which there are columns for sheets (of 30) and for labels;] in which 2 *sheets* of each value have been mentioned, but the value has been expressed as if they were 2 *labels*. Hence, Government has been defrauded of 58 labels of each value ranging from one-anna to six rupees (a total of over Rs. 1,000). This is a very minor matter. But it shows that there was not sufficient checking of the register, although two sets of initials are attached to the entry.

12. A still more minor item is that the public do not always cancel Receipt stamps when using them, and consequently dishonest persons could use the stamps over again.

13. An even smaller, though perhaps appreciable, danger is the use of British Indian Receipt stamps in place of Mysore stamps, by persons living in the City. I personally have noticed British Indian stamps on the receipts of several tradesmen whose business premises are within the City limits, and who should therefore use Mysore stamps.

The above last three items would affect the revenue so little that they need scarcely be taken into account, but as they are dangers to some extent, I have mentioned them here.

I consider that the first eight reasons are sufficient to account for *any falling off* of revenue, and in fact open up the still wider question as to whether they have not so acted that the highest revenue figures given do not really represent the possible revenue obtainable; *i.e.*, if these various causes acting together have had the effect of lowering the revenue from 8 to 7 lakhs, may they not have caused a possible revenue of 9 or 10 lakhs to be represented by 8 lakhs?

I would suggest that a memo be sent to District Treasury Officers calling their attention to this matter, and requiring them to take all precautions to prevent the stamps and stamp papers from getting damaged.

During the past twenty years, I have studied stamps with considerable care and have assisted in the exposure of several frauds and forgeries, and I am obliged to say that I have never heard of stamps being manufactured with so little care to guard against fraud, as exists in Mysore. The designs and the method of manufacture lend themselves to the assistance of dishonest persons. When one considers that even the finest steel engravings (*taille douce*) have been forged, and *epargne* engravings have even more frequently been imitated, it would not be surprising if the rough and ready prints which serve Mysore should prove a tempting bait to the forgers and fakers of stamps. Under such circumstances there does not seem to me that it is a matter of surprise that the revenue has fallen off. The surprise is that there *ever was such a large revenue to fall off.*

(vii) Notes on Annual Stamp Reports.

I now come to the consideration of the statistics relating to the sale of stamps in the State, and to illustrate the fluctuations, I have drawn up a diagram, (*vide* Appendix 11). Unfortunately I cannot obtain statistics for the years 1865-1873, as there are no reports available.

It will be seen that from the year 1873-74 to the year 1889-90 the average revenue was about Rs. 5,10,237 with a maximum of Rs. 5,92,846 in 1888-89 and a minimum of Rs. 4,42,791 in 1884-85.

In 1891-92 there was a sudden increase of over two lakhs and from that date till now the revenue has only once fallen below seven lakhs. This happened, in 1898-99, the plague year. The average from 1891-92 to 1904-05 is Rs. 7,42,766 with a maximum of Rs. 8,25,886 in 1897-98 and a minimum of Rs. 6,44,294 in 1898-99.

There are therefore two distinct periods, that up to 1891 (with an average of about five lakhs) and since 1891, with an average of about seven and a-half lakhs.

It will be noticed that there was a steady and well-defined increase from 1892 to 1898, and then a sudden fall of nearly two lakhs. This is not surprising, as during the plague year business was at a standstill in many directions, and it is not surprising to find an almost complete return to normal in 1899-1900, and still further recovering to nearly eight lakhs in 1900-01; but *it is surprising* to find a fall of nearly half-a-lakh in 1901-02 and no recovery, but a further fall of one-third of a lakh the next year, and only a slight rise the next year, with another fall last year, when the revenue only slightly exceeded seven lakhs. There is no *outside* reason for this perpetual depression; the population is increasing, business is prosperous, litigation is not decreasing, and plague having almost gone, people have returned to their old haunts and old habits. That the revenue still continues so low points, therefore, to *inside* and not outside causes, and the notes which I have already made, point to the direction of the cause.

Since 1900 separate reports of the Stamp Department have been issued—it is a matter of some surprise that an office of such importance as the Stamp Office did not issue special short reports from the time of its inauguration. As it is, there are no available records of revenue from stamps in 1865-72 and the satistics from

1873 to 1900 have to be searched for in the General Administration Report of the State, wherein only the most meagre references and notes are to be found; and such radical changes as the substitution of Government of India stamps for the native designs, and the changes in stamped papers are not mentioned, or dismissed in a line.

I have enclosed as Appendix such reports as I have been able to find (with much difficulty) together with the reports of the Stamp Department since 1900.

Several attempts have been made by the Compiler of the reports to explain the low revenue, but in each case he dwells on *outside* causes (which of course have an undoubted effect), whereas I have little doubt that the chief causes are *inside*, *i.e.*, that they depend upon the circumstances under which stamps have been manufactured. I cannot believe that a revenue can be kept *permanently* low by *fluctuating* outside circumstances. It is easy to understand that in plague and famine years the revenue will suffer, but there has been no real famine since the terrible years of 1875-76, when, curiously enough, there was an increase and not decrease in the revenue (possibly some of the forgers and fakers were among the victims) and plague was only extremely bad in 1898-99. Yet the revenue *continues* below normal and unless some drastic change is made, either in accordance with my suggestions, or in some other way, I fear that it is likely to remain *permanently* below normal.

(viii) Suggestions.

There are two alternatives which I should like to bring to the notice of Government; the second, I think, will be the more satisfactory.

(i) That steel plates should be made in England of an entirely new type, and manufactured from a *single* die (as described in Note 1), instead of continting to use the Madras brass plates of different dies (which I have already explained is fraught with danger).

These plates should be sent out to Mysore, and printed from in the Stamp Manufactory, with a responsible officer *always present*, and with the "tell-tale" invariably attached to the machine. A spare "tell-tale" should be purchased, and kept in stock ready to replace the one in use, should it get damaged or require repairs or alterations. The plates should be obtained direct from one of the great firms such as De La Rue, Waterlow, Bradbury-Wilkinson, in England—or the American Bank Note Co., in the United States. A separate distinctive colour should be used for each value, and the design should be (as in the case of British Indian stamps) of a sufficiently elaborate pattern and delicate workmanship, that forgers would be deterred from experimenting upon it; and, if attempted, detection of the forgery would be a simple matter. This suggestion will do away to a great extent with the danger of substituting "value tablets," and of forgery, but it will not diminish the cost of the Stamp Department, nor will there be saving in printer's ink, pigments and paper, which are heavy items, and in addition, there will be the cost of the new plates and the expense of sending them out.

(ii) The second suggestion is that Mysore should follow the example of the Government of India (*vide* Appendix 14) and of nearly all dependencies of the British Empire (except Australia, Hyderabad, Cochin, Travancore, and a few of the smaller Native States) and have their stamps printed in England and consignments sent out by indent. This will save Government the cost of the Stamp Department, the expense of importing tins of pigment and of expensive paper, and will do away with all danger, as all stamps manufactured by the great printers in England are made *under Government supervision*, and there is no danger whatever of leakage at the printers.

I would respectfully suggest that the adhesive stamps (*i.e.*, the low values) should be *epargne* engravings similar to those in use in Great Britain and British India, and that the stamp paper, high value stamps, should be *taille douce* engravings. The best firm for the former style is Messrs. Thomas De La Rue & Co. Ld. the great Government Printers of London (*vide* Appendix 15), and for the latter either Messrs. Waterlow & Sons, Messrs. Perkins-Bacon, or Messrs. Bradbury-Wilkinson, all of London, or the American Bank Note Co., of New York.

I think it very necessary that all obsolete stamps should be demonetized at once; there would not then be any danger from leakage.

Although I have not been called upon to make suggestions for the designs, I would most respectfully suggest that a portrait of His Highness the Maharaja of Mysore is more suitable than the Mysore arms; but if the arms are present, an excellent design could be produced on a stamp of the size of the current Court-fee stamps by having a portrait of His Highness in an oval frame on one side of the stamp, and the arms opposite, with the inscription "Mysore Court Fees" at the top and the value at the bottom, and the lines (as at present) in the middle. If it is necessary to have vernacular inscriptions, they might take the place of the value at the bottom, and the value might then come in the top line, as well as the name and use, thus:—

"MYSORE COURT FEES. ONE RUPEE."

I do not think that any extra expense in the first year, *i.e.*, the cost of the new plates, should weigh for a moment against the safety of the new method, and the saving in the cost of the Stamp Department (which could be abolished and the stamps received and despatched to the districts by one responsible official with one registrar and one despatching clerk). I should also suggest a less elaborate, but more useful, method of registration.

In this connection I have had an interview with Mr. C. H. Yates, who is at the present time in charge of the Stamp Manufactory. He entirely agrees with me that it would be much safer and better to have the stamps manufactured by one of the good firms in England, and he mentions that in his opinion, Government has been paying extremely heavy rates for its special paper.

If Government decide on the second alternative, the matter should be put in hand as soon as possible as the sooner the die plates are discontinued the better, and, as soon as the stock arrives from England all the stamps now in use should be declared obsolete and demonetized, and destroyed by *obliteration* and not by fire, as the cancelled sheets can then be counted and checked, and there would be no fear of leakage.

As however it must take some time before new stamps could be obtained from England, I would suggest that as a temporary measure the State should return to its old usage and obtain *Government of India labels* and have the name "Mysore" printed across them. The Stamp Office in Madras used to charge only for the printing coolie and for packing, and sold the stamps themselves at the *actual price* that De La Rue charged the Government of India. The Stamp Manufactory should be abolished as such and only a supervisor of stock, etc., should be entertained.

There are certain dies of high value which are very seldom used. These might be kept and printed from *only as required* and no stock of printed odd value papers should be kept.

NOTE 1.

The plates used by any of the great firms of Stamp Manufacturers for printing stamps, are produced as follows:—

One piece of soft steel is engraved with the required design, and then hardened to the greatest extent. It is then pressed a certain number of times on to a soft steel roller, which is in turn hardened. This roller is applied to a large flat sheet of soft steel. All the engravings on the sheet of steel are therefore identical, and they are in exactly correct position. A line is inserted round the plate to prevent the edges from getting worn, and the plate is then hardened and is ready for printing. There are two methods (1) "*taille douce*," in which the lines to be printed are cut *into* the plate. The ink is spread on the plate and then carefully wiped off, and left only in the cuts. Damped paper is used, and by great force the paper is so pressed against the plate that it takes up the ink from the cuts. By this method the finest lines can be produced. In the second method "*epargne*" the parts which are to print are *raised*. The effect by this method is very much flatter, and the finest lines cannot be shown. The method is however, much cheaper and much quicker, and is now almost exclusively used for all British Colonial stamps. It is however more easily forged than *taille douce* engravings.

As a rule, the manufacturer does not make a fresh plate for each value. He uses what is called a *key plate* (*vide* pages 34-43 of Appendix 15). This consists of the design of the stamp, and an outside frame, leaving a space at the top and the bottom, and at a second operation the name is printed at the top and the value at the bottom.

Only two key plates would be required for Mysore stamps, one for all Court-fees, and the other for the one-anna Receipt stamp; or, if "unappropriated" dies (*vide* Appendix 15 pages 52-56) were used, only one egraved die would be necessary for all purposes.

NOTE 2.

At the present time the postal and revenue stamps of Great Britain, British India, Ceylon, Straits Settlements, Federated Malay States, Hongkong, Seychelles, Mauritius, Antigua, Bahamas, British Central Africa, British East Africa, Uganda, British Guiana, British Honduras, Cape of Good Hope, Natal, Transvaal, Orange River, Cyprus, Dominica, Falkland Islands, Fiji, Gambia, Gold Coast, Grenada, Jamaica, Leeward Islands, Lagos, Malta, Gibraltar, Montserrat, Nigeria, St. Helena, St. Lucia, St. Vincent, Sarawak, Egypt, Soudan, Sierra Leone, Johor, Tonga, Turks Islands, Virgin Islands, Siam and Zanzibar are printed by Messrs. De La Rue & Co. (*vide* Appendix 15 monograph). A few countries go to Messrs. Waterlow; while Canada and Newfoundland go to the American Bank Note Co., and only the Australian Colonies and a few of the Native States of India print their own stamps, and these are at present the *poorest* specimens doing duty in any part of the Empire.

In India the States of Gwalior, Jhind, Patiala, Nabha and Chamba use British Indian stamps overprinted with the name of the particular State.

Hyderabad, Bhopal, Cochin, Travancore, Gondal and some of the smaller States use stamps of their own manufacture.

Kashmir used its own stamp until recent years, but subsequently ordered all the Telegraph and Bill stamps from Messrs. De La Rue. The postage stamps are those of British India.

Indore, Jaipur, Sirmoor indent for their stamps in England.

Las Bela has its stamps manufactured by Thacker of Bombay.

Bhownagar obtains its stamps from Waterlow & Sons.

Faridkot used its own stamps at first and then used British Indian stamps overprinted with the name Faridkot, and finally used British Indian stamps without the overprint.

Jhind still uses its own revenue stamps, but its postage stamps are British Indian overprinted "Jhind."

NOTE 3.

When Court-fee stamps, are sold by a stamp vendor to the public, the former has to write on the stamps before selling it, and this is considered by the Mysore Stamp Office as a prefect safeguard. I cannot imagine a more illogical deduction.

If a vendor is dishonest and is selling forgeries (*vide infra*) the fact that he has to write on a stamp does not make that stamp genuine. A man who is dishonest enough to forge stamps would not be so scrupulous about adding a few ink marks. This extraordinary belief that a vendor would only write on a genuine stamp is on a par with that of the very young stamp collector who imagines that postmarked stamps must be genuine, because they have the post mark, little thinking that a postmark would be far easier to forge than the average stamp.

To illustrate exactly the meaning of this, I must refer to a now famous case of fraud detected by a philatelist in England.

A well-known dealer purchased a parcel of English one shilling stamps and on examining them for plate numbers he was struck by the fact that all the stamps bore the same plate number instead of running from 4-20 (*vide* Appendix 15, page 45). This was a most suspicious circumstance and the dealer examined the stamps very carefully and found that they were extremely good imitations. He also noticed that the stamps had been telegraphically used and not postally used (the postmark is of a different type,) and moreover, that all the postmarks were those of the same

office. Enquiries were instituted and a most daring and ingenious fraud was brought to light. The facts elicited were that a telegraph clerk had made many thousands of forged stamps and came to the office every day with a few hundred concealed about him. When a person wished to send a telegram and handed in his shilling, the clerk put the shilling into the till and placed one of his forgeries on the telegram and immediately postmarked it heavily. At the end of the day he counted up the shillings and took the equivalent number of genuine unused stamps out of the drawer. The accounts were therefore correct and no suspicion was aroused. He then took his genuine stamps to Somerset House and got a refund on them (less 5 per cent.) The ingenuity of the fraud was great; for, had he attempted to sell the forgeries direct, some one, in course of time, would have detected the imposition. But the clerk knew that the old telegraph forms would never be examined by an expert and would be burnt in the course of a few years; and had not some dishonest person (in a much smaller way) stolen some of the stamps off the telegraph forms which he was told to burn, and had not such an expert as Mr. Nessier been the purchaser, the fraud would never have been detected. Unfortunately, many thousands of forms had been destroyed before the fraud was discovered. Consequently we cannot say to what extent the British Government was defrauded; but it is known that it exceeded a thousand pounds.

[It is interesting to note that the dealer who in all innocence bought the stamps and exposed the fraud, was unable to get back the specimens he had sent with his report to Somerset House, as Government said that the stamps were stolen properly and they threatened him with prosecution for being a receiver of stolen property. They were, however, magnanimous enough not to press the case against him.]

The point I wish to emphasise is that the dangers are not theoretical but are actual, and although Mysore *may* have escaped, it is, on the face of it, most unlikely, and certainly the stamp revenue statistics do not point to the dangers being imaginary.

NOTE 4.

There is only one more point on which I feel called upon to remark.

My attention was first drawn to the dangerous condition under which Mysore stamps were manufactured when, in 1898, a sheet of each of the stamps was cancelled and handed to me for my collection, on a requisition to the then Dewan.

Recently I heard that there was to be a destruction of obsolete stamps. So I wrote to the late Dewan asking if the stamps might be cancelled and given to me instead of being burnt. Sanction was kindly given to this, but there was a proviso that I, being the Editor of the Philatelic Journal of India should not illustrate the stamps in that journal as, in the opinion of the Comptroller, such an action would be very dangerous. Apparently however, it did not strike the Comptroller that a forger who wished to imitate a Mysore stamp would do it from the genuine stamps (procurable at any Treasury) instead of imitating an illustration.

At the present time every Government in the world except the United States of America, allows all its stamps to be illustrated in the various journals and catalogues connected with stamp collecting, recognising the fact which I have mentioned above, that a forger would find it cheaper and better to imitate from the stamp itself instead of from an illustration.

It will be noticed in Appendix 14, that all the British Indian stamps are illustrated, and it may be considered that, had the Government of India any doubts about the safety of such a proceeding, they would have objected.

If the Government of India together with all other Governments (except that of the United States of America) sees no danger and has no objection, it seems somewhat ultra-careful of Mysore to object to illustrations while at the very moment they were manufacturing their own stamps under circumstances which, I firmly believe, has no parallel in the world; for, even a fourth rate Central American Republic has its stamps manufactured by the American Bank Note Company in New York.

Of course, as there was an objection, I promised at once that no stamps should be illustrated.

I have mentioned the above merely to show that illustration is no danger and that it would have been all right to enquire into some of the very real dangers instead of inventing imaginary ones.

In reality, illustrations are a source of protection, for collectors compare any doubtful stamps with the illustrations and if they differ they write to the Editor (this happens regularly in the case of other stamps) and the Philatelic Society has an expert committee to report on all doubtful stamps and our journal has reported on a great number of forgeries and in fact was instrumental in exposing the forgeries of the first issue of Kashmir stamps, and of several Afghan stamps, besides numerous European and Australian frauds, and we also showed up the notorious forger Fournier of Geneva.

I was surprised when visiting the Philatelic Society of London and while talking to the members of that and of other societies to find that the majority of philatelists at home were quite ignorant of Mysore stamps—only two catalogues list them, and then very imperfectly—and moreover, the catalogue which illustrates them gives two blocks, one of which is of a stamp which never existed (if the registers are to be believed) namely, a Chancery Fee Fund, and the other illustration is of an outrageous forgery which had been so carelessly made that not a word of the English or Vernacular inscription can be read.

NOTE 5.

In connection with this report I think it will be of interest to illustrate by specimens, the various methods of stamp printing *taille douce*, *epargne*, lithographs and hand stamping; and also give some samples of forgery, reprinting and fraud to show that these are common proceedings. I have included some specimens from my collection to illustrate the grave danger of leaving plates in unknown places; and the importance of always using the same tint and the same paper. In other words, I wish to illustrate the necessity of having all the stamps manufactured under proper conditions.

The danger of not keeping sufficient guard over plates is well illustrated by the two following Bolivian stamps. "A" was printed in Bolivia and is the genuine legally printed stamp; "B" was printed from the same plate and is therefore a genuine stamp, but it was illegally printed and is therefore a fraud on Government.

The plate was stolen and taken to Paris and many thousands of the stamps were printed and sent to Bolivia. The Bolivian authorities were unable to distinguish the legal prints from the illegal ones and therefore (pending the issue of a new design) had to pass the illegal stamps. As these are actually commoner than the legal prints, it is clear that the fraud was a big one.

The difficulty in this case is that both stamps are printed from the same plate. The design therefore will not help in the identification. Furthermore, the Bolivian authorities were not very particular as to the shade of the stamps.* Colour, therefore, does not help. We have therefore, paper only as a guide. It will be noticed that "B" is on a thicker paper than "A," a quality never used in Bolivia, and this is the philatelist's only way of distinguishing the two prints as *all* the genuine stamps are on thin paper and *all* the Paris productions are on thicker paper. (The thinner paper is more satiny and is very slightly toned).

"A" Legal. "B" Illegal.

See manuscript copy for stamps.

I think the above note will prove clearly how important it is not to have plates in unknown places.

It will be noticed that in the case of the two Bolivian stamps above mentioned, it is very difficult to distinguish them. In the following case there is no such difficulty; but here both the stamps are *genuine*, but are produced in different ways.

* It has already been pointed out that Mysore stamps also have been printed in a multitude of shades.

"A" is a *taille douce* engraving printed by the American Bank Note Company in New York. The Venezuelan Government wished to economise and very unwisely had lithographic transfers made and printed from locally. The result is "B," a lithographic print from a plate made and used in Caracas. The Venezuelan Government saved the cost of importing stamps; but we find that in the following year they again indented to the American Bank Note Company. Evidently therefore there was no saving, or if there were a saving, there was extra danger, for lithographs are easy to imitate whereas *taille douce* engravings are extremely difficult to forge.

"A" Printed in New York; *Taille douce* engraving.

"B" Printed in Caracas from a lithographic transfer.

Both perfectly genuine.

See manuscript copy for stamps.

At first sight any one would be inclined to say the lithograph "B" was a very poor forgery of "A," but both stamps are quite genuine, whereas in the case of the Bolivian, one is a *fraud* but not a *forgery*.

In the following instance we have a case of reprinting from the original plate.

Genuine original.

Reprint postmarked.

See manuscript copy for stamps.

This is not a case of fraud, *but of reprinting*. The only way that these can be distinguished is by the colour of the frame of the shield. In the genuine stamp it is orange and in the reprint it is yellow. This is another instance to prove the necessity of always using exactly the same pigments. For, if yellow had ever been used for the "originals," then we should have no means of distinguishing the "reprints." The postmark, which unfortunately many people take to be a proof of genuineness, is just as easy to make as the stamp itself (and in this case easier). Roughness of print is no indication of forgery. The following stamps will prove this. "A" is a genuine stamp, "B" is a forgery. Yet "B" is a much clearer print. The forger probably thought that he could improve on the original design and he undoubtedly has done so. In the case of the genuine stamp there is a colon after "AFR"; in the forgery there is a full stop. In the forgery there are dots on either side of the anchor which are absent in the genuine stamp. There is a flaw in the frame of the genuine stamp and no flaw in the forgery.

"A" Roughly printed genuine

"B" Clearly printed forgery.

See manuscript copy for stamps.

An even better instance of the forger trying to improve on the design is afforded by the Mexican Porte De Mar stamps. In the genuine stamp the value was expressed as "2." When other values were required, new plates were made for certain values, while others were made by adding a figure to the "2."

"A" is the "2" value with a "5" added, "B" is the forgery with "25" neatly in the centre of the design.

To non-philatelists, the geniune stamp would appear to be a poor forgery and *vice versa*.

Genuine with "5" inserted. Forgery with "25" in the centre.

See manuscript copy for stamps.

It will also be noticed that the paper of the forgery is of better quality than that of the genuine stamp.

Forgery of the Suez Canal stamp.

See manuscript copy for stamp.

An amusing instance of "improvement" is the case of the Suez Canal stamp. The forger thought that a few passengers would make the boat look more natural. There are no passengers in the genuine stamp.

I am concluding this note with a few remarks on some specimens of used Mysore stamps from my own collection and a few samples showing methods of production.

The Receipt, Bill and Draft stamp of Mysore is of poor design and poorer execution, and when the dies become worn, the result is a production which is certainly not worthy of Mysore. The orange Receipt stamps are indistinct and vary much in shade. These may be compared with the *taille douce* engravings on the last page.

Letter No. 6950, dated Bangalore, 22nd December 1908, from T. B. Copeland, Esq., I. C. S., First Assistant to the Resident in Mysore.

I am directed to state that the Board of Inland Revenue, London, has recently instituted a prosecution against one Harold Treherne for being in possession of materials for making fictitious stamps in contravention of section 7 of the Post Office Protection Act, 1894.

2. Amongst the papers found in Treherne's possession was a mass of letters written by one Thomas Hill, who is understood to be a Master Pilot under the Bombay Port Trust, to Harold Treherne, *alias* H. Curtis, *alias* H. Hordern, from Frere Hotel, Bombay. These letters show that Treherne was in possession of materials for making fictitious stamps, and among the dies or blocks found by the Police in the possession of the offender at the time of his arrest were a number for forging the stamps for certain Native States of India, while the correspondence seized, in conjunction with other evidence, would seem to point to the fact that imitations of the stamps of Native States have been made by Treherne on an extensive scale. The Native States particularly mentioned include Mysore and the letters further show that Treherne was receiving from Hill large consignments of stamps, chiefly Indian, a single consignment sometimes consisting of thousands of stamps. These stamps were surcharged by Treherne and were then returned to Hill. From enquiry made, it appears that there is practically no market whatever for these stamps among philatelists in England, but such large quantities of the stamps might easily be used as a fraud on the revenue of Native States.

3. In the circumstances, and in view of the risk to the revenue of the States concerned from the misuse of the stamps, His Majesty's Secretary of State for India has communicated the facts to the Government of India for such enquiry and action as may be necessary. The Government of Bombay have been addressed by the Government of India on the subject and the matter is now brought to the notice of the Durbar for such action as may be deemed necessary.

4. The Government of India have been asked for specimens of the stamps in question concerning Mysore or a description of them, and, on receipt of their reply, a further communication will be made to the Durbar.

---

(5) *Letter No. Pol. 547, dated 16th January 1909, to the First Assistant to the Hon'ble the Resident in Mysore.*

I am directed to acknowledge the receipt of your confidential letter No. 6950 dated 22nd December 1908 communicating the facts connected with the arrest of Harold Treherne who is suspected of having made imitations on an extensive scale of the stamps of certain Native States in India including Mysore.

The Durbar have, for some time past, had under consideration the question of putting the manufacture of stamps on a proper basis. It has been felt that the existing arrangements, under which the stamps are printed at Bangalore, are exceedingly defective and afford many opportunities for fraud. Among the circumstances which constitute possible sources of danger may be mentioned the following:—

(1) The plates used for printing the first issue of Court-fee and Transfer stamps are missing.

(2) All adhesive stamps are now printed in one colour; and this arrangement gives an opportunity for substitution of the 'value label' of a high value used stamp on an unused stamp of lower value.

(3) There was, for a period of four years, no "tell-tale" on the printing machine.

(4) There are many varieties of each Mysore stamp, since the plates are composed of single dies fixed together or separately engraved on the plate which makes detection of a forgery a very long and difficult operation.

(5) The present dies are of brass, which is a soft metal and wears out easily, and requires recutting or retouching, giving rise thereby to many other varieties.

(6) The designs are rough and poorly executed and could therefore be easily imitated.

(7) The higher values are printed from still more inferior dies which have been recut and retouched on several occasions and it would be practically impossible to identify forgeries by comparison.

(8) As the plates are composed of a number of separately engraved dies, similar dies may be manufactured by the engraver who makes the dies for Government or by other engravers and forged stamps produced from such dies. Dies are ordered from time to time and no arrangements are made for getting them made under proper supervision.

From an examination of the figures relating to the sale of stamps with the statistics relating to litigation and to the registration of assurances, it is not possible to say that any fraud on the stamp revenue of the State has actually been perpetrated in the past,—the statistics in fact seem to point to the opposite conclusion—but there can be no doubt that the continuance of the existing defective arrangements exposes the stamp revenue to the gravest risk. In these circumstances, the Durbar are very grateful to the Government of India for having brought to their notice the facts connected with the case of Treherne.

As regards the arrangements to be made for the future, two alternatives have been suggested:—

(*i*) The steel plates should be made in England of an entirely new type, and manufactured from a *single* die, the use of the Madras brass plates of different dies being discontinued. These plates should be sent out to Mysore, and printed from in the Stamp Manufactory, in the presence of a responsible officer and with the "tell-tale" invariably attached to the machine. A spare "tell-tale" should be purchased, and kept in stock ready to replace the one in use, should it get damaged or require repairs or alterations. The plates should be obtained direct from one of the great firms such as De La Rue, Waterlow, Bradbury-Wilkinson, in England or the American Bank Note Co., in the United States. A separate distinctive colour should be used for each value, and the design should be (as in the case of British

Indian stamps) of a sufficiently elaborate pattern and delicate workmanship, that forgers would be deterred from experimenting upon it, and if attempted, detection of the forgery would be a simple matter.

(*ii*) The second suggestion is that Mysore should follow the example of the Government of India and of nearly all dependencies of the British Empire and have their stamps printed in England, and consignments sent out on indent.

The former alternative will do away to a great extent with the danger of substituting "value tablets" and of forgery, but it will not diminish the cost of the Stamp Department, nor will there be saving in printer's ink, pigments and paper, which are heavy items, and in addition there will be the cost of the new plates and the expense of sending them out. These disadvantages would not exist with the latter alternative, which the Durbar are therefore disposed to prefer. It is understood that the stamps for use in British India are manufactured by Messrs. Thomas De La Rue & Co., under Government supervision, and if the printing of Mysore stamps is to be entrusted to the same firm or any other firm in England, it would be necessary to have the printing done under proper supervision. I am therefore to request that the Hon'ble the Resident may be pleased to move the Government of India to make the necessary arrangements with an English firm on behalf of the Durbar and provide for proper supervision being exercised through the India Office. It is understood that similar arrangements were made by the Government of India some years ago on behalf of the Kashmir Durbar.

In view of the great importance of the subject I am to request that the Government of India may be requested to treat the matter as urgent.

---

(6) *Letter No. 2304, dated Bangalore 19th April 1909, from T. B. Copeland Esq., I.C.S., First Assistant to the Resident in Mysore.*

I am directed to refer to Mr. Chandrasekhara Iyer's Confidential letter No. 547—Pol., dated the 16th January 1909, regarding the desire of the Durbar that arrangements should be made for the manufacture in England of the stamps required for the use of the State.

2. In reply, I am to say that the Government of India are willing to meet the wishes of the Durbar in the matter. It is, however, essential that the designs selected for the Mysore stamps should be dissimilar from those in use in British India. I am accordingly to request that full particulars regarding the different varieties and values of stamps required may be forwarded to this office together with a statement of the annual requirements in respect of each class of stamp and any special instructions it may be desired to give regarding designs, colours, etc.

On receipt of these particulars, estimates of the cost and terms on which the stamps can be manufactured and supplied will be obtained and furnished to the Durbar.

---

(7) *Proceedings of the Government of His Highness the Maharaja of Mysore, Separate Revenue, July 1909.*

ORDER No. Fl. 289-93—S. R. 173-06-10, DATED BANGALORE, 10TH JULY 1909.

Government are pleased to appoint a committee consisting of Mr. H. V. Nanjundayya, Second Councillor (as President) and Mr. H. H. Sparkes, Mr. J. S. Chakravarti, Mr. C. H. Yates and Mr. E. W. Wetherell as members for considering the question of the future arrangements for the manufacture and supply of stamps in the State, including the question of suitably altering the dies, colours and designs of the several stamps. The President is requested to forward to Government the report of the committee at an early date.

Letter No. 1656, dated 8th January 1908, from H. H. Sparkes, Esq., Commissioner of Stamps in Mysore, Bangalore.

I have the honour to report to Government that it was recently brought to my notice that it is extremely easy to alter the figures on the majority of General stamps by obliterating the present value and substituting another of higher value by means of a die that could be easily manufactured in the bazaar and by which means large frauds can be committed. It is therefore necessary to change the present plates and have the value of the stamp written on them in words as well as figures. At present only figures appear on the stamps in the bi-colour of blue. This would entail the alteration of all the present plates which are in brass and being hand cut differ considerably from one another, by substituting steel plates which can be procured in England at, as I am informed, a cheaper rate than the brass plates were formerly procured in this country.

2. I would also bring to the notice of Government that the machinery now used in the Stamp Manufactory is quite worn out and requires a large amount of labour in packing up to make it at all fit for use. I would therefore beg to propose that new machinery be procured from England which will economise labour to a large extent and turn out much better stamps. The present accommodation also is ill adapted for the purpose; more space and a free current of air for the drying of stamps is required which is not feasible in the present arrangement. I have been making enquiries as to the cost of new machinery and dies from England and find that it will approximately come to Rs. 10,000 and this, with reducing many of the duties etc., at present in use. It is therefore a question for Government to decided whether this plan should be adopted or the future supply of stamps procured from an English firm such as Messrs. De La Rue & Company or others. Should Government wish it, I will procure estimates from them and others. I await orders on the subject.

Letter No. 422, dated 27th January 1909, from H. H. Sparkes, Esq., Commissioner of Stamps in Mysore, Bangalore.

With reference to your letter No. Fl. 3237—S. R. 148-08-1, dated the 26th January 1909 asking my opinion on the question of giving different colours to the different values of adhesive stamps, I beg to inform you that I am of opinion that it is very necessary that this should be carried out, as amongst other reasons, I consider the present system very unfair to the illiterate purchaser as he may be cheated into purchasing stamps of the wrong denomination.

All other countries, as far as I know, have different coloured stamps, and I fail to see why Mysore should not follow suit. There are eleven such stamps; and colours can be easily found for them, but not with our present machinery which I cannot too strongly condemn (*vide* my letter No. 1656, dated 8th January 1908).

The stamp revenue for the last year and a-half has shown an increase and I think that Government might with confidence employ some of these profits in an outlay for new machinery which could be conveniently worked by electricity in the Government buildings. I would earnestly urge Government to take this matter in hand at a very early date and take advantage of the experience of the present Superintendent, Mr. C. H. Yates. I may mention that while in England last year, I took the opportunity of enquiring into stamp machinery but could find nothing suitable; but my field was limited as Government did not wish me to communicate with the larger firms.

Mr. A. Rangaswami Iyengar's Notes on Mr. E. W. Wetherell's Report on the Decline of the Stamp Revenue.

I have read with very great interest the notes compiled by Mr. Wetherell on the manufacture, distribution and sale of Mysore Court-fees and General stamps for the last 30 or 40 years. He has collected very valuable information and brought to bear his great knowledge as an expert philatelist in criticising the crude and inartistic processes employed in the manufacture of these stamps and has taken great pains to depict in dark colours the possibilities which exist for the fabrication of the stamps by a clever and intelligent rogue. He has also examined the figures of stamp revenue for some years and pronounced a strong opinion that the revenues have materially suffered by the opportunities furnished to unscrupulous men by the defects brought to notice.

2. There is no doubt that the Mysore stamps and the processes employed for their manufacture are uncouth and primitive and do not compare favorably with those turned out by eminent English firms for the Government of India and other countries, and it may also be readily granted that it is highly desirable to adopt measures for making the designs of the stamps more elaborate and artistic and render it more difficult to imitate them.

3. But I cannot fall in with his opinion that the manufacture of stamps and the measures for sale and distribution were so defective as to lead to forgery and reduction of the stamp revenue. His criticisms are mostly hypothetical from the standpoint of a great artist and his apprehensions seem to take no note of the fact that, at least in Mysore, skilful forgers of the highly civilised countries of the West could not be found; and further, in his opinion, the mere existence of possibilities of fabrication is sufficient for assuming that fabrications were resorted to and revenue defrauded. He has failed to give sufficient weight to the precautions taken for storing and distributing stamps to the Treasuries and the rules prescribed for their sale to the public through vendors. I must also with great deference observe that his assertion that there has been a fall of revenue has not been supported by any close examination of the statistics of the Department.

4. At page 21 of his report Mr. Wetherell says "I consider that the first eight* reasons are sufficient to account for any falling off of revenue and in fact open up the still wider question as to whether they have not so acted that the highest revenue figures given do not really represent the possible revenue obtainable, *i.e.*, if these various causes acting together have had the effect of lowering the revenue from eight to seven lakhs, may they not have caused the possible revenue of nine or ten lakhs to be represented by eight lakhs?"

*(1) The missing of the plates used for printing the first issue of Court-fee and Transfer stamps.

(2) The printing of all adhesive stamps in one colour.

(3) The absence of a "tell-tale" on the printing machine for a period of about four years.

(4) The difficulty of detecting a forgery due to varieties of each Mysore stamp.

(5) The dies being made of a soft metal like brass instead of hardened steel.

(6) Ease with which the designs which are rough and poorly executed may be imitated.

(7) The use of inferior dies in higher values which make identification of forgeries impossible, and

(8) The facility of leaking out of stamps on occasions of wholesale destruction.

And at page 22 he concludes with the telling words, "Under such circumstances there does not seem to me that it is a matter of surprise and (that?) the revenue has fallen off—the surprise is that there ever was such a large revenue to fall off."

5. These are very serious remarks to make as regards the condition of the stamp revenue by a high officer of the State like Mr. Wetherell. So far as the report goes, the grounds on which he bases these assertions have reference only to the imperfections in the manufacture and some defects and irregularities in procedure which might afford possibilities for tampering with the stamp revenue but which furnish no proof whatever that such tampering with the revenue could probably have occurred.

6. It may be urged that the evidence in support of this opinion is to be found in his Note on Annual Stamp Reports which he has appended to his report. I shall therefore try to examine in detail his remarks and conclusions contained in the Notes. He has reviewed the revenue from stamps from 1873-74 to 1904-05. He does not say anything unfavorable as regards the revenue realised up to 1890-91 and observes that there are two distinct periods, that up to 1891 with an average of about five lakhs and since 1891 with an average of about 7½ lakhs.

7. It may be observed in passing that the mere fact that the revenue has so materially increased in the latter period is adequate evidence to show that there could have been no tampering with the manufacture or sale of stamps, for, if any forgery of stamps or defrauding of stamp revenue had occurred in the first period referred to, one would expect that the undetected commission of such fraud would naturally embolden the perpetrators to continue it on the same scale if not in much larger proportions, and this material increase in the stamp revenue is a clear indication that frauds, if any, could not have continued or increased and Mr. Wetherell has probably thought likewise, as otherwise he would have commented very severely upon the apparent smallness of stamp revenue in the first period.

He then proceeds to review the condition of revenue from 1892 to 1898 and notices that the sudden fall of nearly two lakhs in the last year was due to plague, that there was almost a complete return to the normal in 1899-1900, that there was further recovery in the following year but that it was surprising to find a fall of nearly half-a-lakh in 1901-02 and a further fall in 1902-03 followed by only a slight rise in 1903-04 with another decrease in 1904-05. He then proceeds to observe :—

"There is no outside reason for this perpetual depression. The population is increasing, business is prosperous, litigation is not decreasing, and plague having almost gone * * * * that the revenue continues so low, points therefore to inside and not outside causes and the notes which I have already made point to the direction of the cause."

8. In the above remarks Mr. Wetherell has made assumptions which are not correct. It is not a fact that plague "has almost gone" or that "the population is increasing" and that the business was prosperous as will be shown below.

9. Mr. Wetherell has compared the total realizations including the duty recovered in the Superintendent's Office, penalties, etc. These items generally fluctuate owing to causes other than the general prosperity of the country and should for our purpose be excluded. I have accordingly prepared statements showing the receipts from the sale of stamps in all the districts as shown in the statements furnished in the Stamp Report *vide* statements appended).

In 1901-02 the number of plague cases was reported to be the largest* recorded since the appearance of plague in the State and there was a decrease of 8·5† per cent. in the total number of documents registered. And as regards litigation, the total number of suits including appeals instituted was less by 1,150 than in the year 1900-01.

* See page 17 of the Administration Report of 1901-02.

† See page ii.

I have not been able to get the Administration Report for 1902-03, but it may be observed that there was a further fall of about 2,500 in the number of suits instituted and a reduction of about 5,000 or 10 per cent in the number of documents registered in 1902-03. It will thus be seen that in both the years 1901-02 and 1902-03 business was less brisk and litigation less than in 1900-01.

In 1903-04 there was but a very slight improvement both in the institution of suits and registration of documents, as will be observed in the figures noted in the margin, which clearly accounts for the slight rise noticed by Mr. Wetherell. In 1904-05 there was again a slight fall in litigation over that of 1903, while on the other hand the number of documents registered seemed to have increased by about 3,000 or 4 per cent and odd. In this year while there was a decrease of about Rs. 9,000 in the receipts from Court-fees, there was an increase of nearly Rs. 6,000 in General stamps which fully coincides with the decrease and increase in litigation and registration of documents respectively. It will be noticed that in

	No. of suits.	No. of registrations.
1900-01 ...	23,867	64,681
1901-02 ...	22,725	59,073
1902-03 ...	19,708	54,244
1903-04 ...	20,143	56,900

this year the apparent decrease in the total revenue is chiefly due to the decreas of about Rs. 19,000 in the stamp duty recovered in the Superintendent's office an in the districts.

Mr. Wetherell had not probably the figures for 1905-06 when he compiled hi report. The total stamp revenue for this year is Rs. 7,88,418 showing an increas of about Rs. 73,000 or fully 10 per cent. over the income of the previous year whic is fully accounted for by the fact that there was an increase of nearly 25 per cent. i the registration of documents and an improvement of about 5 per cent. in litigation

10. The above remarks are sufficient to show that Mr. Wetherell's premise were wrong and unsupported by statistics and it follows therefore that the infer ences from them are insufficient to warrant the imputation that the fall in the stam revenue must be due to "inside causes."

11. The telling increase of nearly 10 per cent. in 1905-06 is a sufficient refuta tion of the allegation that the revenue is kept permanently low and the fact tha this increase synchronises with the corresponding improvement in litigation an registration of documents is a sufficient proof that outside causes whose potency Mr. Wetherell belittles must have really led to the fluctuations. How easily Mr. Wetherell is able to account for the changes in the stamp revenue without judicial examination may be inferred from the explanation offered by him for the alleged increase of stamp revenue in the great famine of 1875-76 by attributing it to the possibility of some of the forgers and fakers having fallen victims to the famine. An ordinary mind would rather believe that a faker thriving on stamp frauds would be the last to die of starvation. Again in the last sentence, Mr. Wetherell asserts that the revenue continues below normal and unless some drastic change is made it is likely to remain permanently below normal. It is a great pity he does not discuss anywhere what the normal stamp revenue for Mysore should be. Nor has he taken the pains to show how this revenue has fallen below the normal from year to year and how if such decrease was due to improper practices the fluctuations could be accounted for, in what denominations of stamps and in what manner in the disposal of sale and cancellation of stamps could the fraudulent practices have been committed so as to defraud the revenue. It is very difficult to prove a negative and controvert Mr. Wetherell's *apriori* general conclusion in the absence of specific facts. I will, however, point out a few aspects from which the statistics of stamp revenue may be examined and compared from year to year in order to find out if there are any unusual or improper decrease or increase in the receipt of stamp revenue which would go to justify a suspicion of the 'inner causes' alluded to by Mr. Wetherell.

12. It may be observed that it is an obvious fact that forgers would generally take up only stamps which are easy to fabricate and dispose of. The General stamp consists almost entirely of impressed paper excepting the one-anna receipt label and as good water mark paper cannot be had excepting from large firms in England and on the Continent, an ordinary forger will not be able to prepetrate any frauds in this line. If, on the other hand, it be alleged that persons connected with the manufacture of stamps might forge higher denominations of General stamp paper by stealing papers from the stores or that the stamp forgers might alter the values from a smaller to a higher denomination, then the stamp revenue must suffer to the extent of the difference in the value misappropriated by these men. The average value of stamps sold as per official return the receipts of which are crdited to Government will then be affected and grow smaller every year. The Court-fee stamp papers of above Rs. 6 are also on water mark papers and will be subject to the same conditions. It is only in the Court-fee labels of Rs. 6 and less that fraud could be easily prepetrated. In that event we shall find a perceptible decrease in the sale of some denomination of labels.

13. I have prepared statements A and B for the years 1897 to 1905 showing the total number of stamp labels and papers sold separately under Court-fee and General stamps, the average value of each stamp, the number of registrations, the total number of suits and appeals instituted in each year, etc. Taking the statement A of General stamps, it will be observed that the average value of each stamp ranges from ·58 of a rupee to ·63 of a rupee and that the value varies inversely with the increase in the total receipts and the total number of registrations; for instance, in the year 1898 when the revenue was the lowest and there was a heavy fall in the

number of registrations on account of plague, the average value of General stamp was at its highest, *viz.*, ·63. If there was any truth in Mr. Wetherall's assumption that the stamp revenue might have been tampered with, the illicit sales of stamps of higher denominations acting on reduced revenue must have in this year proportionately tended to lower the average value of the stamps sold. This principle of rise and fall in the average value is consistent with the theory that in a bad year only indispensable large transactions are proceeded with and that in the years of general prosperity there will be a larger number of smaller transactions necessitating the purchase of smaller stamps which will tend to lower the average value.

14. The same results are observable as regards the Court-fee stamps also (*vide* statement B.) Here also the average value of each Court-fee stamp has ranged from ·82 to ·89 of a rupee and excepting in the year 1901 the lower average value has generally occurred in the years in which the total receipt has been high. I have added another column in this statement calculating the average Court-fee income on the number of suits and appeal. The fact that the average income has increased from 19·07 in 1901 to 21·72 in 1905 shows that there could have been no loss of Court-fee revenue by the placing on the market of forged stamps.

15. It is instructive to compare the statements A and B prepared for the years 1897 to 1905 with the corresponding statements C and D for the years 1886-87 to 1890-91. The average value of the General stamps ranged in this period between ·48 and ·52 as against ·58 to ·63, while in the Court-fees the average value lay between ·75 and ·78 as against ·82 to ·89 of the latter period. This is a clear proof that the sales of higher denominations of stamps have maintained their ground fully—a thing which would not have occurred if any fraudulent forgery or faking had been in vogue.

15A. I have also prepared a statement E showing the receipts from sale of certain denominations of stamps, judicial and non-judicial, sold in the districts during the five years ending with 1905-06. I have chosen these denominations as they are the most largely sold and contribute nearly two-third of the total revenue. If any fraud should be attempted, it would be possible to commit the same without attracting notice only in these. An examination of the figures will, however, show that there have been no violent fluctuations in the sales of any of these denominations. It will be seen on the other hand that for every rise or fall in the total receipt in the judicial stamp of such denominations there has been a corresponding rise or fall in those of non-judicial stamps.

It may be further observed that as stamps of the value of Rs. 50 and upwards are sold at the Treasuries, there could be no possible loophole for forgery or other improper practices. Since the fluctuations in these stamps fairly correspond with similar fluctuations in other denominations, the inference is obvious that no tampering could have occurred in the latter. Further, the rise and fall in individual denominations has occurred generally in sympathy with the total increase or decrease in stamp revenue which could not be the case if there had been any persistent or considerable swindling in any class of stamps.

16. I have been obliged to dwell upon this question in such detail for various reasons. In the first place, the impressions created by Mr. Wetherell's observations would have cast a slur on the many high officers who have been in direct charge of the Stamp Department and on those at the head of the Administration whose duty it was to watch the progress of the stamp revenue. In the second place, I have personally heard high officers of the State accepting Mr. Wetherell's opinion without question and expressing their belief that there must have been frauds in the stamp revenue, and, what is worse, Mr. Puttanna Chetty, the Second Councillor, has gone even further than Mr. Wetherell and made the sweeping assertion that "there can be no doubt that the revenue from this source has considerably suffered from the splendid opportunities for forgery existing in the present crude system of manufacturing stamps." In view of the important issues thus involved, I would respectfully urge a very careful consideration of the whole question.

17. I fully agree with Mr. Wetherell in saying that the designs of the stamps should be improved and the arrangements for their manufacture should be placed on a better footing so as to leave as little loopholes as possible for fraud. As a

progressive State, we should not lag behind other countries in making our stamps artistic and attractive to the philatelist, while we cannot ignore the fact that with the increase of civilization and knowledge among the people and the increase day by day of facilities for forgery, etc., it would be prejudicial to our own interest to rest content with the primitive appliances and arrangements which were sufficient till now to safeguard the revenue. But I would urge, however, that we need not from a mere fear of possible frauds in some of these arrangements, go to the length of incurring heavy cost. The greatest safety against fraud in stamp revenue consists in the fact that our stamps are not like coins or notes current as cash, are not transferable from hand to hand and are sold only by authorized vendors who are required to enter the names of the *bonâ-fide* purchasers and to return these registers for record to Government offices. Even supposing that some unscrupulous officials of the Stamp Department or private swindlers found it possible to forge stamps or fake genuine stamps and stamp papers, they cannot directly place them in the market except through the authorised stamp vendors. These stamp vendors generally sell stamps to a limited amount and any rise or fall in their sales would surely attract notice and lead to further enquiries. Moreover our State being small and the stamp revenue moderate, there are few opportunities for a swindle on a large scale, and it is unlikely that skilful and enterprising swindlers would be tempted to exploit this State.

18. I do not find sufficient information of the cost of getting the stamps manufactured by the different firms and the expenditure required for storing and issuing them as compared with the present cost. It may perhaps be desirable to have the requisite information collected in a tabular form for the orders of Government or for being referred to a small committee containing such members as the Comptroller, the Superintendent of the Government Press and Stationery and the Superintendent of Stamps.

52. According sanction to the purchase of new dies of State for manufacturing Impre: stamps at a cost of Rs 10284-12-0 & directing that the amount be met from the provision of Rs 10000/- in the current year's Budget, the excess over the allotment being reappropriated from the available funds.

53. To F.A. to the Hon'ble the British Resident in Mysore
No Pol 833 Dy 28.3.13
States that on the recommendation of the Committee the Durbar have decided to continue the present system of local manufacture of stamps but with new dies & machinery and that arrangements are being made to set them up & manufacture the stamps with them as early as possible

54 Frm Mr CH Yates Supte of Stamp Manufactures
D.O. letter Dy 1.4.13
With reference to the invoice from Messrs Jr Dickinson & Co; London for Rs 347-8-0 on account of duty on 11 cases of Stamp Dies & Electrotypes shipped per S.S. "Celtic" on the 11th Oct 19. states that after a good deal of reference between himself & the Firm the claim has been waived.

55 To Mr CH Yates Supte Stamp Manufactures
D.O. No FL 5609 Dy 9.4.13
Returns the enclosures received with
Serial 54.

To Mr C H Yates (on leave).
No FC 530 dy 31.7.12
Communicates the approval of Govt to the proofs and requests him to make arrangements with the Engravers for the despatch of the blocks etc in due course.

6 From C H Yates: Letter dy 30.7.12
Acknowledges the receipt of the Cablegram and states that he is intructing the engravers to proceed with the work.

47. From Mr C H Yates Supdt. Stamp manufac
No 40 dy 27.9.12.
States that while in England he ordered for machine for printing the new stamps and solicits formal sanction of Govt for the purchase:

48. To the Supdt, Stamp manufactory, Constbld
No Fl 3082 3 dy 23.11.12
Sanctions the purchase of the machinery & inks

49. From messrs John Dickinson & Co Ltd
No ~~Fl~~ 209/3894 dy 22.11.12.
Forward the railway receipt and ~~dies~~ invoice relative to the Dies & plates ordered from messrs Perkins Bacon & Co and state that the invoice does not include the cost of clearing and forwarding the goods from Madras.

50. To the Supdt, Stamp manufactory:
No Fl 3104 dy 25.11.12.
Forwards the railway receipt & the invoice & requests him to arrange for taking delivery of the articles

51 From messrs John Dickinson & Co
No ~~Fl~~ 209/3942 dy 23.11.12.
Forward their invoice for the Landing & clearing charges & for the freight from Madras to Bangalore.

52 To the Supdt. Stamp manufactory:
Controller to Govt -
dy 11.12.12